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Tower Panel Believes Reagan Knew About Iran Arms Sales

By Gerald M. Boyd
New York Times Service
WASHINGTON — The Tower Commission has concluded that President Ronald Reagan, far from being remote from the administration's Iran arms dealings, was briefed on them regularly as they took place, according to officials familiar with the commission's report.

The officials said the report, which is scheduled to be made public on Thursday, would show that Mr. Reagan frequently discussed the Iran initiative at morning meetings with Vice Admiral John M. Poindexter, then his national security adviser.

But the report also says the president's participation in those discussions was minimal. Often he simply asked questions about the American hostages being held in Lebanon and told anecdotes, according to an official who has seen the report.

The report by the special presidential commission is also said to describe what one official described as a "pattern of free-lancing" by Lieutenant Colonel Oliver L. North, the National Security

Delay is sought in confirmation of a CIA chief until after the Iran inquiry, Page 3.

Council aide who was dismissed in November following the first disclosure that the United States had sold arms to Iran and that some of the proceeds had been diverted to the Nicaraguan rebels.

Officials added that the report says that Colonel North carried out policies on arms sales to Iran and the supply of aid to the Contras, as the rebels are known, that went far beyond what the White House intended.

In addition, the commission has information that supports asser-

tions by a Senate committee that Mr. Reagan discussed with senior aides the need to formulate a policy on Iran that would give him "deniability."

The Tower Commission, named for its chairman, John G. Tower, the former Republican senator from Texas, was appointed by Mr. Reagan to investigate the operations of the National Security Council in the Iran-contra affair.

The president acknowledged on Tuesday that he could not remember whether he gave advance approval of the first shipment of arms to Iran in September of 1985.

Appearing before a group of business executives, Mr. Reagan said in response to a question, "I think it's possible to forget."

"I'd like to ask one question of everybody," he said, "everybody who can remember what they were doing on Aug. 8, 1985, raise your

U.S. Talks To Allies On Treaty

Nitze and Perle Discuss U.S. View On ABM Accord

By James M. Markham
New York Times Service

BONN — Two senior U.S. officials began consultations with West European allies Wednesday to explain the Reagan administration's preference for the so-called "broad" interpretation of the anti-ballistic missile treaty that would permit expanded testing of space weapons.

The envoys, Paul H. Nitze, a special adviser to President Ronald Reagan, and Richard N. Perle, an assistant secretary of defense, met in London with Prime Minister Margaret Thatcher and Sir Geoffrey Howe, the foreign secretary, and later went to Bonn for talks with Chancellor Helmut Kohl. The chancellor indirectly expressed concern about Washington's course.

Although the West Europe trip is being described as a "consultation" with the allies, there was considerable evidence that it is an element in a process that is leading the Reagan administration to move formally to the broad interpretation of the 1972 accord with the Soviet Union.

According to a U.S. official, Mr. Nitze went through three drafts of his "talking points" with the allies in order to blunt the impact of his message. One of Mr. Nitze's points was reported to be that there has been such progress in research into anti-missile systems that could be included in the Strategic Defense Initiative that a wider interpretation of the treaty had become imperative.

The choice of Mr. Nitze appeared designed to reassure the allies, who tend to regard him as a moderate within the U.S. administration. But various European officials said that the dispatch of Mr. Perle — who is on record as saying the broad interpretation will be adopted before Mr. Reagan leaves office in 1989 — suggested that Washington was moving toward effectively scrapping the treaty.

The shift to the new interpretation was viewed with apprehension in Bonn, where Mr. Kohl has expressed hope at the prospects for an arms control agreement.

In an interview published Wednesday, Mr. Kohl said that a drive by Mikhail S. Gorbachev, the Soviet leader, for reforms could lead to a "watershed" arms control agreement.

Mr. Kohl said that a breakthrough depended on the Soviet Union abandoning its "all-or-nothing approach" and the United States remaining flexible on the question of its application of the ABM treaty and avoiding actions that would "create a fait accompli."

Before the two Americans met with the chancellor, Mr. Kohl's spokesman, Friedhelm Ost, confirmed that the interview reflected the government's view. After the meeting, Mr. Kohl's office issued a statement saying that the envoys had described a "restructuring" of the anti-missile research program.

Suggesting doubt about the wis-



Shiite women in Beirut mourned the deaths of Hezbollah militants by Syrian troops.

Hezbollah Sector Is Sealed Off

10,000 Mourners In South Beirut Protest Deaths

By Steven R. Weisman
New York Times Service

BEIRUT — Syrian troops sealed off a stronghold of the pro-Iranian Hezbollah organization in West Beirut on Wednesday after 23 Shiite Muslim militants were killed in the Syrian security drive Tuesday night, witnesses said.

A car bomb later injured at least 12 persons in the Shiite Muslim part of southern Beirut on Wednesday. It exploded shortly after a large funeral procession in which the deaths of the Hezbollah, or Party of God, fighters, were protested.

Ambulances and fire engines rushed to the scene and the police said the casualty toll was incomplete.

In the funeral procession, more than 10,000 people marched through the city's southern suburbs, where Syrian troops who moved into West Beirut on Sunday have not yet departed.

The mourners carried the bodies of Hezbollah members, wrapped in white sheets, on stretchers. They beat their chests and shouted, "Slowly, slowly, you Zionists — Hezbollah is on its way."

Residents said that Hezbollah fighters were placed on maximum alert following the violence late Tuesday night.

Militia sources said the gunfire Tuesday night raised the prospect of Syria sending troops into the southern suburbs, where foreign hostages are reported to be held.

Numerous reports have speculated that Hezbollah militants are the possible captors of some of the 26 foreigners missing and believed kidnapped in Lebanon. The organization has strongly denied any role in the abduction of foreigners.

Hezbollah's leaders, organization and precise fighting strength are all well-kept secrets in a city where most political and military matters are still open to discussion, despite almost 12 years of civil war.

Some of the hostages are said to be held in Beirut's southern districts, while there have been conflicts reports over the timing and possibility of Syrian intervention in the maze of closely packed houses and alleys.

"If and when the Syrians go into the suburbs," one militia source said, "then there is a strong possibility that some of the hostages held there will be released."

Political sources here said that Terry Waite, the envoy of the Church of England who was reported kidnapped on Jan. 20, is also held south of Beirut.

Hostages Said to Be Moved
A Kuwaiti newspaper reported on Wednesday that Shiite extremists holding foreign hostages in Lebanon have moved some captives to the Iranian Embassy in Beirut and others to southern Lebanon, The Associated Press reported from Kuwait.

In a dispatch from Paris, the daily A Qabas newspaper said that Mr. Waite was being held hostage and was among the captives who had been moved to elude Syrian forces.



General Fidel V. Ramos, chief of the Philippines military staff, left, and Agapito Aquino, brother-in-law of President Corason C. Aquino, raise their hands as a symbol of reconciliation between the military and civilians. They were at ceremonies Wednesday to mark the first anniversary of the removal of Ferdinand E. Marcos. Page 5.

LATE NEWS

Vatican Banker Wanted by Italy

The Associated Press

MILAN — The Italian authorities have issued an arrest warrant against Archbishop Paul Marcinkus, 65, who heads the Vatican bank, in connection with the collapse of the Milan-based Banco Ambrosiano. Court sources said Wednesday.

The sources said that the warrant charges Archbishop Marcinkus, of Cicero, Illinois, as "an accessory to fraudulent bankruptcy" in Italy's biggest bank failure. The bank collapsed in 1982 with bad debts of more than \$1.2 billion. A large part of that money had been loaned to financial houses in Panama in which the Vatican, through its bank, the Institute for Religious Works, had an interest.

Archbishop Marcinkus has denied any wrongdoing. He lives in Vatican City, and the sources said the warrant could only be served if he stepped onto Italian territory.

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■ Britain mocked two companies in their bids for control of British Sugar PLC. Page 7.

Soviet Removes Radars Cited as Risk to Treaty

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — The Soviet Union has removed several missile defense radars that were said by the Reagan administration to be a key part of alleged Soviet preparations to break out of the 1972 anti-ballistic missile treaty, according to U.S. intelligence experts.

Removal of the radars at the Soviet missile test center at Sary-Shagan, in Soviet Central Asia, began in the fall and was completed recently, the officials said, leading some experts at the State Department to speculate that the Russians are trying to resolve a major concern raised by the United States.

However, some officials at the Defense Department dispute this interpretation, arguing instead that removal of the radars indicates that the Russians are preparing for testing or deployment of more modern equipment. No hard evidence exists to support either view, and Moscow has said nothing to clarify the issue.

The dispute concerns a large, phased-array radar with two faces known to American analysts as Flat Twin, and a smaller radar with three spherical antennas known as Pawn Shop. First erected in the early 1970s, the radars were designed to track ballistic missiles in the final stage of flight and then guide interceptors to destroy the missiles in a nuclear explosion.

In a report to Congress, the Reagan administration said in March 1986 that Soviet development and testing of the radars "represents a potential violation of its legal obligations under the ABM treaty," because the radars could be erected within months with little advance preparation.

The administration said this potentially violated a ban on "mobile, land-based" ABM radars. Viewed in concert with "other ABM-related Soviet actions," the administration report said, it suggested "that the U.S.S.R. may be preparing an ABM defense of its national territory."

Since then, the Soviets have removed most, if not all, of the radars at Sary-Shagan, which officials said never numbered more than five.

This judgment was influenced in part by recent statements from several Soviet officials, including Georgi A. Arbatov, the director of the Institute for U.S. and Canadian Studies, that work on a more con-

troversial radar near the Siberian city of Krasnoyarsk has been halted. Mr. Arbatov first made the remarks during a visit to the United States in December, according to U.S. experts.

Administration officials and independent experts have called the Krasnoyarsk radar a violation of the ABM treaty because of its location away from the periphery of the country.

Intelligence information on the Krasnoyarsk radar, like the evidence on Flat Twin and Pawn Shop, remains ambiguous.

Gorbachev Renews Call For Soviet Liberalization

By Steven R. Weisman
New York Times Service

MOSCOW — Mikhail S. Gorbachev, the Soviet leader, made a fresh attack on opponents of his drive for political renewal on Wednesday, declaring that more liberalization was essential to stop the Soviet Union from lapsing into stagnation.

Speaking at a congress of 5,000 Soviet trade unionists in the Kremlin Palace of Congresses, Mr. Gorbachev said: "This is how we put the question — either acceleration, or inertia and conservatism. There is no other choice."

Developing a common theme of his recent speeches, Mr. Gorbachev said that among his domestic opponents were some honest people who had not learned to change their habits. But others, he said, are explicitly dissatisfied with his policies.

Mr. Gorbachev said the United States and its allies, fearing the Soviet economy would be revitalized under his leadership, were seeking to preoccupy the Soviet Union by maintaining the arms race and international tension.

"Imperialism and the forces of

See GORBACHEV, Page 5

'Jazz Section' Dissidents Will Face Trial in Prague

By Steven R. Weisman
New York Times Service

VIENNA — Seven leading members of the Czechoslovak jazz section, an independent cultural group that has been suppressed by the Czechoslovak authorities, are to go on at a Prague district court from March 10 to 12, the group's lawyer said Wednesday.

The lawyer, Josef Prusa, said by phone from Prague that the group members would face charges of illegal commercial activities and of issuing publications for profit. The offenses are punishable under Czechoslovak law by up to eight years imprisonment.



Mikhail S. Gorbachev speaking to trade unionists in Moscow on Wednesday.

VIENNA — Hungary's first conscientious objector on political grounds since Communist rule began in 1949 was arrested by the police on Wednesday at his apartment here, witnesses said.

Zsok Keszthelyi, a dissident magazine editor, had been ordered to report Wednesday for military service in the town of Kiskunfelegyhaza, but failed to do so.

Witnesses said that one uniformed and one plainclothes policeman briefly interrogated Mr. Keszthelyi before driving him away. The police raided his apartment three weeks ago and confiscated copies of his magazine, an underground publication called *Abroad*, Magyaras, or *Walking Hungarians*.

"I do not want to serve in an army which is not under the control of a constitutional government," Mr. Keszthelyi said in an interview before his arrest.

"If I did I might be used to do anything — 1968 is an example of that," he added, referring to the Soviet-led Warsaw Pact invasion of Czechoslovakia.

Indian Judge Replaced in Bhopal Suit After Disclosure He Was a Claimant

By Steven R. Weisman
New York Times Service

NEW DELHI — The presiding judge in the lawsuit over the Bhopal gas disaster has been replaced because of a disclosure that he had filed his own claim for damages in the case, Indian officials and lawyers said Wednesday.

Judge G.S. Patel had made several sensitive rulings in the case without disclosing that he had earlier listed himself among the victims of the worst industrial accident in history.

The Indian government, representing 90,000 plaintiffs, is suing Union Carbide Corp. for \$3 billion in damages over the leak of gas from a pesticide plant on Dec. 2-3, 1984. A new judge, M.W. Dev, took over the case Tuesday in Bhopal.

The removal of Judge Patel has introduced new uncertainty and confusion into the case and raised the possibility of further delays in resolving the issues.

Sources close to the case said that Union Carbide, which is based in Danbury, Connecticut, was considering whether to seek to invalidate all of Judge Patel's orders and actions of the last several months.

Union Carbide was understood to be reluctant to take such a step because of possible adverse publicity, despite what its Indian lawyers say would be firm legal ground based on prohibitions against judicial conflict of interest.

Judge Patel had been hearing the Bhopal lawsuit since last fall and made several rulings objected to by Union Carbide.

The irony of the situation, however, is that Union Carbide had argued that the case be tried in India rather than the United States. India had initially sought an American forum, saying that Indian courts were antiquated and incapable

of handling such a complex matter.

It was not clear why Judge Patel's involvement in the case had not come to light until now, or how it became disclosed. His transfer was initially reported in the Indian press as resulting from the jealousy of other judges.

In the past few days there were reports that a conflict of interest was involved, details of which were confirmed Wednesday by Indian officials and other lawyers. An Indian official said the government was dismayed and taken aback by Judge Patel's action.

"It is incredible that this could have happened," said a lawyer involved in the case. "If he was a claimant, it was his duty to disclose it."

More than 2,000 people died and 200,000 were reported injured at the time as clouds of toxic methyl isocyanate gas spread through the city. Indian government lawyers now assert that many more people have fallen ill since then, bringing the number of plaintiffs to a half million, more than half the population of Bhopal at the time.

Union Carbide lawyers argue that India has exaggerated the numbers and brought insufficient evidence of their illness.

Officials involved in the case said that because the list of plaintiffs is so large, taking up dozens of volumes of computerized sheets, and because Patel is a common Indian name, the judge's inclusion in the list was not discovered until recently.

Some observers still imagine that he is in the saddle, as the most devastating articles written against

China Experts Say Deng Is Weakened by Turmoil

By Edward A. Gargan
New York Times Service

HONG KONG — Some China watchers based in Hong Kong have concluded that Deng Xiaoping, China's senior leader, has been severely weakened in the recent political turmoil in Beijing and may no longer exercise real power.

Mr. Deng, who twice rose from political oblivion in the 1970s, has been the principal force behind the economic restructuring that China has undergone since 1979.

The sweeping changes were introduced to free the country's lethargic economy from strong central control, using innovative management in some areas, a reliance on market forces for some products and private control of most farm production.

In contrast with the opinion of the China watchers, diplomatic analysts in Beijing and Washington say they generally believe that Mr. Deng remains firmly in charge despite the political and ideological upheaval.

The analysts interviewed in Hong Kong, some of whom began watching China when it was closed to Western journalists, navigate partly by a careful scrutiny of the Chinese press, examining nuances and reading between the lines as the mainland Chinese do. They are not diplomats and sometimes take issue with diplomats posted in Beijing, but they have proven astute on past factional struggles inside China.

The Chinese and Western analysts interviewed said Mr. Deng and the innovators he brought to power in the last decade had been isolated and forced from the center of power.

"I think he is now a lame duck," said a Hong Kong Chinese who has followed the situation on the mainland for several decades. "Deng rested on two legs, Hu Yaobang and Zhao Ziyang. One of those legs has been cut from under him."

On Jan. 16, Mr. Hu was stripped of his title as general secretary of the Communist Party after a month of student demonstrations calling for democracy. Mr. Zhao, who is prime minister, was named acting general secretary of the Chinese party, which has 44 million members.

Another analyst who has studied China since the Communists took over in 1949 took an equally negative view of Mr. Deng's situation.

"Some observers still imagine that he is in the saddle, as the most devastating articles written against

'bourgeois liberalism' cite his words, the analyst said. They really make fun of him, quoting his words pronounced at moments when he temporarily adopted words of his enemies."

Since the student protests ended early this year, the Chinese press has railed against what it calls "bourgeois liberalization." The phrase is meant to encompass all views that advocate the introduction of Western ideas and values into China.

One analyst pointed to the abrupt manner in which Mr. Hu was removed as evidence of both Mr. Deng's weakened position and

See DENG, Page 5

On Tuesday, Mr. Begun was in his Moscow apartment where the window looks out on trees and ground covered with snow. As he talked, his wife, Inna, brought in dishes for a family meal, including stewed tomatoes and fresh cucumbers.

Mr. Begun, an energetic man with bright blue eyes and a gentle smile, was wearing a red-and-blue checked shirt and jogging pants, and his shaved head was covered with a blue yarmulke.

He and his family are still waiting for permission to emigrate to Israel. He said he would continue his activism as he had said he would in a letter to the Supreme Soviet, the national legislature of the Soviet Union.

"I explained that trying to improve the state of the Jewish nation and culture is one of the factors of the process of democratization in this country," he said. "It won't be a violation of the law, but on the contrary, by this I will contribute my part to this process."

On his second day back in Moscow, Mr. Begun seemed physically in good shape, despite a series of hunger strikes in prison.

Mr. Begun turned to teaching Hebrew after he lost his job as a mathematician when he applied to emigrate to Israel in 1971. Convicted in 1983 of anti-Soviet agitation, See BEGUN, Page 5

Even the Sky Was Barred

Begun Talks of 'Terrible' Solitude, Cold and Meager Diet in Soviet Jail

By Celestine Bohlen
Washington Post Service

MOSCOW — Once a day, after a breakfast of porridge and water, Josef Z. Begun and other political prisoners at Chistopol prison in the Ukraine would be let out of their cells and be given either an hour or 30 minutes of exercise in a prison yard.

Mr. Begun, 54, a Jewish activist freed on Friday, has a keen memory of the dimensions of that yard. "Seven steps long, and four, maybe three steps across," he said Tuesday in an interview.

The yard was paved with cement and a metal grill was overhead. The walls were covered with lumpy cement so no one could write anything on them, he said. Prisoners could exercise only with their cellmates, or alone.

In the early mornings, the sun never shone through the grill, and yet, Mr. Begun said, "the rain could always reach you."

"It was like a well, like walking at the bottom of a well," he said. The grill above makes a special impression on people who have spent time in Chistopol: They call it "looking at the sky through metal netting."

Mr. Begun said that during the 22 months he spent in Chistopol the number of political prisoners varied from 18 to 32. When he left, at the end of the current round of releases decreed by the Soviet government, five prisoners remained, he said, all convicted of espionage.

Astronomers Say They've Found Closest Supernova Since 1604

By Malcolm W. Browne
New York Times Service

NEW YORK — Astronomers report that the explosion of a star has apparently occurred much closer to Earth than any since the one observed by the astronomer Kepler in 1604.

The discovery of the supernova was made Tuesday.

Because such nearby supernovas are so rare, and because it is being observed so early, the event is likely to have a dramatic impact on understanding how such explosions come about and how they have influenced the chemical composition of the universe.

The blast occurred 50,000 years ago, but the light it generated is only now reaching Earth.

Astronomers discover about one

supernova a year in some part of the universe, but because they are so far away, no supernova has ever been observed by modern instruments during its earliest phases.

All supernovas are believed to be the violent deaths of very big stars that have used up most of their nuclear fuel and are forced by their gravity to collapse on themselves. The collapse releases so much energy that a final cycle of nuclear fusion occurs, and the resulting explosion briefly produces more light than does an entire galaxy of hundreds of millions of stars.

Among the many reasons astronomers are interested in supernovas is that they are thought to create most of the heavy elements in nature, including the carbon from which all living things are made.

An ordinary star made mostly of hydrogen converts most of its fuel by the fusion process into helium and then dies. But stars substantially larger than the sun may continue the fusion cycle, creating elements as heavy as iron before erupting as supernovas, which may generate even heavier elements that are blasted into space.

Dr. Robert E. Williams, director of Cerro Tololo Interamerican Observatory in Chile, said Tuesday that astronomers throughout the Southern Hemisphere were preparing their telescopes for intense scrutiny of the phenomenon.

He said that if the object lived up to expectations, it was likely to become the brightest star in southern skies for the next 10 days, beginning Wednesday. It would be as bright as the planet Jupiter, he said.

The object will not be visible in most of the Northern Hemisphere, although people living as far north as Brownsville, Texas, might at some point get a glimpse of it low on the horizon. But for observatories in Chile, Australia and South Africa, it will be within easy view.

Dr. Williams said that because of the importance of the event, his team would attempt to televise its observations so that astronomers throughout the world could make immediate use of them.

He said the discovery was made shortly before dawn Tuesday by observers at the University of Toronto observatory at Las Campanas, Chile.

"Their observer was exposing some routine astronomical photographs" that had been made with a rather small telescope "when he noticed the image of a new star where previous photographs had shown none," Dr. Williams said, adding: "By that time the sun was beginning to rise, and further observations were impossible. But this is an event every astronomer in the world had been hoping would occur in his or her lifetime, and you may be sure we'll make the most of the opportunity."

The apparent supernova was observed in the Greater Magellanic Cloud, one of a cluster of small galaxies that are so close to the Milky Way galaxy as to be considered satellite galaxies. The supernova is 50,000 light years from

Earth, a short distance away in astronomical terms.

The nearest full-size galaxy to ours is the spiral known to astronomers as M-31, the Great Nebula in Andromeda, which is more than two million light years away. Most other galaxies are many hundreds of millions of light years distant, and when supernovas are spotted at such great distances they are comparatively dim and difficult to study.

The brightest part of a supernova flares up in a matter of days and fades rapidly after several weeks. The 1604 explosion left a residue visible through telescopes today as a faint nebula of glowing gas.

Three supernovas have been recorded in the Milky Way galaxy — in 1054, 1572 and 1604.

WORLD BRIEFS

U.K. Urged to Act on 6 Nazi Suspects

LONDON (UPI) — Members of Parliament urged the government Wednesday to act against at least six suspected Nazi criminals who took sanctuary in Britain after World War II.

Home Secretary Douglas Hurd disclosed that an investigation prompted by the Simon Wiesenthal Institute of Los Angeles found that at least six suspected Nazis live in Britain.

They were among 17 names provided by the institute in October as being guilty of crimes in 1940 against Jews in Nazi-occupied Lithuania and Latvia in what is now Soviet territory. Mr. Hurd said the investigation was continuing but that the crimes were committed before the suspects came to Britain.

Abdallah Called 'Small' Terror Chief

PARIS (AP) — A senior French counterintelligence official said Wednesday that he doubted Georges Ibrahim Abdallah is the head of the terrorist group blamed for killing American and Israeli diplomats in Paris.

Mr. Abdallah, on trial on charges of complicity in murder and attempted murder, often has been described by the police and terrorism experts as the head of the Lebanese Armed Revolutionary Faction, or FARL, which claimed responsibility for the attacks.

But Raymond Nart, deputy director of the counterintelligence agency DST testified that he considered Mr. Abdallah at best a "small chief," not the group's overall head. "As to the real head of FARL, I have several ideas," Mr. Nart said. He added that he thought Mr. Abdallah was "the head of a commando team; he's a little chief."

U.S. High Court Backs Rights Plan

WASHINGTON (AP) — The U.S. Supreme Court upheld on Wednesday a plan for promoting equal numbers of blacks and whites on the Alabama State Police force.

By a vote of 5-4, the court ruled that the affirmative action plan did not violate the U.S. Constitution. The plan forces the state police to promote one black trooper for every white promoted until blacks comprise 25 percent of upper-rank officers.

The ruling is a defeat for the Reagan administration, which argued that the quota was "profoundly illegal." The administration argued that the plan was arbitrary and a form of reverse discrimination that violates the equal protection guarantees contained in the constitution.

Zambia Releases 4 South Africans

JOHANNESBURG (Reuters) — Four South Africans who were held for nine months in Zambian jails on charges of spying returned home Wednesday. Their lawyer denied Zambia's allegations that the four had been spying for Pretoria.

President Kenneth Kaunda of Zambia said earlier that he was releasing the four on humanitarian grounds, although he said they had admitted working for South African intelligence at the time of their arrest in May. They were held a week after South African planes raided alleged anti-apartheid guerrilla targets in Lusaka, the Zambian capital.

Mr. Kaunda said at a press conference that the men — Randolph Keyser, Rudolf Otterman, Bernhard Koch and Duncan Vaise — had planned their trip to Zambia as genuine tourists but were later persuaded by South African agents to carry out acts of destabilization. The four were met on their arrival by Foreign Minister R.F. Botha.

Gene Defect Linked to Mental Illness

NEW YORK (AP) — A study of manic-depressive disease in three generations of a family has shown for the first time that defective genes can cause psychiatric disorders, and scientists say the finding could help them understand a wide range of mental illness.

"It's an extremely important opening into molecular genetics and molecular biology for the major mental disorders," said Dr. Darrel Regier of the National Institute of Mental Health.

The work should promote studies that lead to better understanding of such illnesses as schizophrenia and anxiety disorders, he said. Previous studies had suggested that genetics could contribute to psychiatric disorders. But the new finding is the first demonstration of a genetic defect in a mental disease that shows anatomical abnormalities in the brain, he said.

Vietnam Says Troops Lack Necessities

BANGKOK (UPI) — Vietnamese soldiers lack the necessities for decent living and some corrupt officers have stolen from their troops, the Vietnamese Army newspaper Quan Doi Nhan Dan said.

In an undated article quoted by Radio Hanoi on Wednesday, the newspaper said military leaders were failing in their "greatest and most specific responsibility" by providing inadequate living conditions for their troops. "It is even more culpable that while units are in short supply of everything to meet the troops' living demands, some cadres are corrupt and wasteful and have even shortchanged the troops' rations," it said.

The charges follow the removal of the defense minister, General Van Tien Dung, the hero of the victory over South Vietnam, in a cabinet reorganization earlier this month.

For the Record

Foreign Minister Kent Frydenlund of Norway was hospitalized Wednesday after collapsing with a heart attack at the Farnham Airport in Oslo, the Foreign Ministry announced. He was returning from a Nordic Council meeting in Helsinki. (AP)

A New York woman who was arrested by East German border guards was released Wednesday and has returned to the Western sector of the city, a U.S. spokesman said. Susan Kleckner was seized Tuesday after she climbed the Berlin Wall and began taking photographs. (AP)

Peres Begins Cairo Visit To Seek Mideast Talks

The Associated Press

CAIRO — Foreign Minister Shimon Peres of Israel arrived here Wednesday to meet with President Hosni Mubarak and other Egyptian leaders, saying he hoped they could reach an accord to open the way for a Middle East peace conference.

"We've agreed on many points, but there are still two or three points that remain to be agreed upon," Mr. Peres said at the airport before visiting a synagogue in central Cairo. "I am here to see if there are alternatives or if there are ways or means to overcome difficulties."

Mr. Peres met with the Egyptian foreign minister, Esmat Abdel Meguid, on Wednesday evening. He is to meet Mr. Mubarak on Thursday.

Both sessions were expected to focus on Palestinian representation at an international peace conference.

Prime Minister Yitzhak Shamir of Israel, who switched jobs in October with Mr. Peres as part of a rotation agreement between the rightist Likud bloc and Mr. Peres' Labor Party, remains sharply opposed to such a conference.

Mr. Shamir favors only direct Arab-Israeli negotiations and has warned that the issue could threaten the existence of Israel's unity government.

"It is a known fact that we have differences of opinion," Mr. Shamir said Wednesday in remarks broadcast on Israel Army radio.

In defiance of Mr. Shamir, Mr. Peres rested on Wednesday his support of an international conference.

"I think Jordan, Egypt and Israel do agree that we have to negotiate directly," he said, "but to open direct negotiations we need an international forum."

He added, however, that the procedures and participants had to be agreed on before such a meeting. Mr. Peres brought to Cairo a list of possible Palestinian participants acceptable to Israel, a senior government official close to Mr. Peres said. Reports in Jerusalem said that the Egyptians would present their own list to Mr. Peres.

Israel, which since 1967 has occupied the West Bank and Gaza Strip, refuses to negotiate with members of the Palestine Liberation Organization.

Secretary of State George P. Shultz of the United States said Feb. 17 that the United States favored an international forum. The European Community added its endorsement for such a meeting on Monday.

Getty Museum Sets Another Record

By Souren Melikian
International Herald Tribune

PARIS — The J. Paul Getty Museum has paid a record \$4.07 million at Sotheby's in New York for "The Farewell of Telemachus and Eucharis," a mythological picture painted in 1818 by Jacques-Louis David.

The sale on Tuesday illustrates the increasing competition in the museum world, particularly in the United States, for famous names, no matter what kind of work these may be attached to.

David, who became famous in his own time as the leader among French artists cultivating the Neo-Classical style, is, to this day, widely considered the most remarkable artist of that school in France.

A militant leftist under the French Revolution and, later, an ardent supporter of Napoleon, he painted two of the best-known paintings relating to major contemporary events: "Le Serment du Jeu de Paume" and "Le Sacre de Napoleon." Both are hanging in French museums. It is for such pictures that David has been sought after in the last decade or so.

The huge price paid for a work executed in Brussels, where David had to take refuge after the fall of Napoleon in 1815, has no precedent at auction. No David painting has appeared on the open market in recent years.

The most important work of his recently negotiated in the private market, a portrait of a Dutch ambassador, was reportedly sold in the summer of 1985 by Daniel Wildenstein for an undisclosed amount, believed to have been considerably lower than the New York painting. It is now in the National Gallery in London.

"The Farewell of Telemachus and Eucharis" anticipates the



A detail of "The Farewell of Telemachus and Eucharis," bought by the J. Paul Getty Museum for \$4.07 million.

later trend in 19th-century academic painting of the kind called pompiers, or kitsch, on which David exercised considerable influence.

Its rose-water brand of eroticism is typical of continental tastes in Europe after the fall of Napoleon, with its attempt at blending Neo-Classical iconography, including the pseudo-Greek garb, and the sensuous style favored by 18th-century French painters such as Jean-Marc Nattier.

When it last appeared at auction in 1950, it made \$3,950. According to trade sources, the picture then left for South America where it was recently "discovered."

This is the second David acquired by the museum. The other, bought last year for an undisclosed amount from a U.S. dealer, is a portrait of the daughter

of Joseph Bonaparte, dated 1821. John Walsh, director of the Getty Museum, notes that both pictures were known in the 19th century and were then lost sight of.

The latest purchase is in line with other recent buys in the field of Old Master and 19th-century paintings or drawings. The work carries the name of a well-known artist. It is dated. It was commissioned by a member of the famous collecting family in Bavaria, Count Erwin von Schönborn, who also commissioned "Amor and Psyche," now in Cleveland.

In short it is thoroughly documented. The same remarks apply to the museum's latest auction buy before the David, a sheet with three minute sketches in pen and ink by Leonardo acquired on Nov. 17, 1986, at Sotheby's for another record price, \$3.74 million.

Demjanjuk Offers Hand, Is Spurned

Reuters

JERUSALEM — A survivor of the Treblinka concentration camp spurned on Wednesday the outstretched hand of John Demjanjuk in an Israeli courtroom and accused him of being the sadistic gas chamber operator known as "Ivan the Terrible."

After approaching Mr. Demjanjuk, Eiyahu Rosenberg, 65, declared: "Ivan. Without a shadow of a doubt. Ivan from Treblinka, from the gas chambers — the man I am looking at now."

"I saw the murderous eyes, the face," Mr. Rosenberg said, adding: "How dare you give me your hand, you murderer?" His comment drew a rebuke from the presiding judge.

Mr. Demjanjuk, 66, a retired American auto worker who was born in the Ukraine, has denied he was ever in the World War II death camp in Poland. An estimated 870,000 Jews were killed in the camp during the Nazi occupation.

In the trial, which began last week, Mr. Demjanjuk is charged with crimes against humanity and the Jewish people. He faces the death penalty if convicted.

As Mr. Rosenberg, the second Holocaust survivor to testify in the trial, left the witness box to look closely at the accused at the prosecution's request, Mr. Demjanjuk removed his glasses and held out his hand in apparent greeting.

Mr. Rosenberg drew back and shouted, "You bandit."

Mr. Rosenberg, a retired port worker who escaped from the camp during a revolt by prisoners in August 1943, said that others who fled had told him that prisoners had cragged when they said that they had killed many of their guards.

"In the woods, I met people I didn't know from the camp," he testified. He said they had told him "that during the uprising people burst into the barracks of the Germans and Ukrainians and delivered murderous blows."

Mr. Rosenberg's testimony is important in the case against Mr. Demjanjuk, who says he is the victim of mistaken identity. Mr. Rosenberg testified in 1947 that Ivan may have been killed.

However, he said Wednesday that he learned that his 1947 deposition in Vienna, given to the Nazi hunter Tuvia Friedman, was untrue when he attended a war crimes trial in Düsseldorf in 1964.

"Then I saw those guards face to face," Mr. Rosenberg said. He said he knew then that the story about killing guards was false.

"It was boasting," he said.



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Austrian Powdered Milk Barred From Emirates

Reuters

ABU DHABI — The United Arab Emirates has banned two brands of Austrian powdered milk, saying they contained excessive radiation.

The Emirates began routine testing of imported food for radiation after the Chernobyl nuclear disaster in the Soviet Union last year.

Strike Threatened At U.K. Navy Yard

The Associated Press

PLYMOUTH, England — Trade union leaders at Devonport Royal Naval Dockyard threatened Wednesday to call a strike by the yard's 11,000 workers and start court action because the government is bringing in an American-led consortium to manage the yard.

The Conservative government of Prime Minister Margaret Thatcher signed a contract Tuesday with the consortium, led by the British subsidiary of an American offshore group, Brown and Root.

The consortium, which plans to cut the Devonport work force by 2,300 over four years, will run the state-owned yard under a seven-year contract starting April 6. The yard is one of Britain's two main maintenance and repair facilities for its naval ships. The other, at Rosyth in Scotland, is expected to be handed over shortly to private management under a similar contract.

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Deaver Indictment Barred on Issue of Special Prosecutor

WASHINGTON — A federal judge temporarily barred on Wednesday the indictment of Michael K. Deaver, the former White House deputy chief of staff, ruling that Mr. Deaver had raised "substantial questions" about the constitutionality of the 1978 law on special prosecutors.

The ruling by Judge Thomas Jackson of U.S. District Court not only throws into limbo a nine-month investigation of Mr. Deaver's private lobbying practice, but also undoubtedly will pose ramifications for the investigation of the Iran-contra affair.

The ruling followed reports that Mr. Deaver, a close friend of President Ronald Reagan, has been warned that he must plead guilty to criminal charges or face indictment by a federal grand jury.

People with knowledge of the investigation told The New York Times on Tuesday that the independent counsel, or special prosecutor, in the case, Whitney North Seymour Jr., had asked that Mr. Deaver plead guilty to two felony counts. One count involves violations of federal ethics laws in his work as a Washington lobbyist; the other charge, one source said, could be perjury.

Acting on a lawsuit by Mr. Deaver, Mr. Jackson issued a 10-day temporary restraining order blocking Mr. Seymour from issuing a four-count perjury indictment against Mr. Deaver.

The judge ruled there would be no harm to the pending case against Mr. Deaver to delay it while he considers the constitutionality of the Ethics in Government Act of 1978.

If an indictment were returned immediately and the law later was nullified, Mr. Deaver may suffer damages that "could never fully be redressed," the judge said.

Jury to Decide
Philip Shenon of The New York Times reported earlier from Washington:

The sources familiar with the Deaver case had cautioned that the federal grand jury overseen by Mr. Seymour might reject the prosecutor's argument and refuse to indict Mr. Deaver. However, grand juries tend to follow the suggestions of prosecutors.

One said he understood that Mr.

Deaver had refused to plead guilty, opening the way for Mr. Seymour to seek an indictment from the grand jury impaneled in Washington.

Asked about the reports, Randall J. Turk, Mr. Deaver's lawyer, refused to comment. Mr. Deaver and Mr. Seymour could not be reached for comment.

It was unclear whether others also would face charges. In December, Mr. Seymour said he had found evidence that associates of Mr. Deaver also might have conspired to violate the ethics law.

Mr. Deaver would be the first person indicted under the Ethics in Government Act, which requires appointment of an independent counsel when high-ranking government officials are accused of wrongdoing.

He has been under scrutiny by the independent counsel since last summer, chiefly regarding allegations that Mr. Deaver had violated ethics laws that restrict lobbying by former government officials. Mr. Deaver has repeatedly denied wrongdoing.

Word of a pending indictment against Mr. Deaver came as Lieutenant Colonel Oliver L. North, the focus of a special prosecutor's investigation into the Iran-contra arms affair, went to court Tuesday to attempt to overturn the special prosecutor law.

In a lawsuit, Colonel North argued that the law infringed on the prosecutorial right of the executive branch. The suit asked that the investigations of all special prosecutors, including Mr. Seymour, be stopped.

After resigning from his White House job in May 1985, Mr. Deaver formed a multimillion-dollar lobbying firm in Washington.

Inquiries have focused on whether Mr. Deaver improperly used his relationship with Mr. Reagan and his wife, Nancy, to promote clients of his lobbying firm, including the governments of Canada, South Korea and Puerto Rico.

According to a person with knowledge of the investigation, Mr. Seymour contacted Mr. Deaver's lawyers on Tuesday. Mr. Seymour offered them the choice of pleading guilty to two felony counts or facing indictment on potentially more serious charges.



Chicago Democrats Renominate Mayor Washington

Mayor Harold Washington, Chicago's first black mayor, has become the first mayoral incumbent to win renomination in the city in the last decade. On Tuesday, he defeated former Mayor Jane M. Byrne by 6 percentage points for the Democratic nomination to run in the general election April 7. Mr. Washington did much better among white voters than Mrs. Byrne did among blacks. For decades, winning the party's nomination for mayor gave City Hall to the victor. However, in April Mr. Washington will face two other Democrats running independently of the party.

Delay of Gates's Confirmation Sought

By Walter Pincus
Washington Post Service

WASHINGTON — The chairman and vice chairman of the Senate select committee investigating the Iran-contra affair have asked that confirmation of Robert M. Gates as director of central intelligence be delayed until completion of the congressional inquiries, which could run at least through August.

The chairman, Daniel K. Inouye, Democrat of Hawaii, said that Mr. Gates, the deputy director of the Central Intelligence Agency, is serving as acting director following the resignation of William J. Casey. "It is not like a judicial appointment where there is a vacancy that has not been filled," he said.

Warren B. Rudman, Republican of New Hampshire, the vice chairman, agreed that the nomination should be delayed. But he emphasized that so far he did not see anything that would disqualify Mr. Gates from being head of the agency. Mr. Gates, 45, has been with the CIA for 20 years.

Both senators said the Tower Commission report could shed more light on Mr. Gates's role when it is released later in the week. The commission, named for its chairman, John G. Tower, the former Republican senator from Texas, is investigating the operations of the National Security Council in the Iran-contra affair.

Mr. Gates also was discussed critically on Tuesday during a Democratic caucus. The Senate majority leader, Robert C. Byrd,

Democrat of West Virginia, raised the question of Mr. Gates's nomination.

After the caucus, Mr. Byrd said that "the administration deserved itself by sending up the No. 2 man" who was "so close to the situation he is tainted by it."

CIA Denies Times Report
The CIA labeled as false on Wednesday a New York Times report Monday that Mr. Gates agreed to send a memo to the White House favoring arms dealings with Iran, United Press International reported from Washington.

An agency spokesman, George Lander, said the report "falsely" alleged that Mr. Gates circulated a memo in the White House supporting arms dealings with Iran in order to win favor with senior officials.

Democratic Governors Size Up Hart but Few Express Support

By Bill Peterson
Washington Post Service

WASHINGTON — Among the nation's Democratic governors meeting here this week, little support was evident for Gary Hart, the former Colorado senator widely regarded as the front-runner for the party's presidential nomination in 1988.

The governors, attending a meeting of the National Governors' Association, are actively looking beyond the current candidates for a 1988 standard-bearer, a process accelerated by the withdrawal from the race last week of Governor Mario M. Cuomo of New York.

Several Hart political operatives, including the former chairman of

the Democratic National Committee, Charles T. Manatt, met with governors here but conceded that Mr. Hart does not have much strength among governors and other "institutional Democrats."

"A lot of these guys don't know Gary," Mr. Manatt said. "Hart needs to meet with them."

Governor Cuomo praised Mr. Hart on Tuesday as an "extremely strong candidate," but he said Governor Michael S. Dukakis of Massachusetts was "a uniquely strong candidate."

A Hart candidacy would seem to have a natural appeal for such young Western governors as Booth Gardner of Washington, and Steve Cowper of Alaska. The former Col-

orado senator fared well in the West during 1984 primaries and still has a strong organization in Washington state.

But neither of the first-term governors is a big fan of Mr. Hart.

Governor Gardner said that he and his wife "love" Governor Dukakis and that he could "do very well" in their state.

Governor Cowper likes a Southerner, Senator Sam Nunn, Democrat of Georgia, who has all but taken himself out of the race. "People think he is solid and sensible," Governor Cowper said.

"There's a natural desire to go with a winner," said Gerald L. Bailes, governor of Virginia. "Right now, governors don't see one. No bandwagon psychology is at work yet. No one wants to close their options."

Governor Gardner said, "I really believe people are looking for an alternative to Hart. It's tough being a front-runner in this kind of race."

Both Governor Dukakis and Governor Bill Clinton of Arkansas, the association's chairman, are beneficiaries of such sentiments. Each is considering entering the race.

During the four-day convention, Mr. Dukakis held private meetings with governors and party leaders, including the 1984 presidential nominee, Walter F. Mondale, the former House speaker, Thomas P.

O'Neill Jr., a Democrat of Massachusetts, and Hamilton Jordan, a political strategist under former president Jimmy Carter.

Governor Terry E. Branstad, a Republican of Iowa, said Mr. Hart has "a commanding lead" in his state.

"It's very much like the Mondale situation in 1984," Governor Branstad said. Mr. Mondale used his position as front-runner to dominate Iowa precinct caucuses. Mr. Dukakis, Mr. Branstad said, did not create a favorable impression during a recent visit to Iowa and that "the last guy from Massachusetts who came to Iowa," Senator Edward M. Kennedy, "pretty much fell flat on his face."

Cuomo's Kind Words
In an interview with The New York Times, Governor Cuomo had kind words for most of the presidential hopefuls, but he seemed somewhat reserved in his comments about Mr. Hart.

Pressed to say if he could enthusiastically support Mr. Hart if he won the Democratic nomination in 1988, Mr. Cuomo said, "I could support, I hope, any Democrat enthusiastically."

Regarding Mr. Hart, he said: "I don't see any reason why out at this point, but it's still early," said the governor, who managed Mr. Mon-

dale's New York primary campaign against Mr. Hart in 1984, a contest that at times was marked by sharp exchanges.

Governor Cuomo continued: "What's he going to say from here on out? One of Gary's charms in 1984 was that he was an exuberant seeker of the office and he had all kinds of, at least attempts at, new ideas. Let's see what happens now that he is the front-runner. We don't want to see him go from being to neutral."

Mr. Cuomo's reference was to Mr. Hart's refrain in his 1984 campaign against Mr. Mondale: "Where's the beef?"

"Although political experts agree that Mr. Hart has gone farther than any other Democrat so far in laying out specific proposals in domestic and foreign policy, Governor Cuomo suggested that the Colorado Democrat still had some questions to answer.

Routine AIDS Test Questioned in U.S.

By Lawrence K. Altman
New York Times Service

ATLANTA — A consensus appeared to be emerging against widespread mandatory testing for infection with the AIDS virus as American public health officials met this week to discuss ways to curb the spread of the deadly viral disease.

The Centers for Disease Control, the main federal agency charged with tracking the spread of epidemics, called the meeting Tuesday and Wednesday to explore expanded uses of blood tests for infection with the virus that causes acquired immune deficiency syndrome.

Officials called for discussion of the possible value of requiring testing of, for example, all patients entering hospitals, all pregnant women and all applicants for marriage licenses.

Many people interpreted that suggestion as an indication that the federal government would actually propose such testing requirements. Opponents said such testing would be vulnerable in breaches of confidentiality. They also contended that it would be too broadly applied and might drive people most at risk from AIDS away from the health care system.

AIDS is caused by a virus that cripples the immune system, leaving patients vulnerable to infections and cancers. More than four out of five cases registered so far in the United States have involved homosexual or bisexual men or intravenous drug users.

Scientists do not know what portion of infected people will develop the disease, but they presume that all carriers of the virus can spread it to others through sexual intercourse, exchanges of blood or from mothers to newborns.

Dr. James O. Mason, the agency's director, insisted Tuesday that whatever testing did take place should be accompanied by strong legal protection against disclosure of the identities of people infected with the AIDS virus.

Dr. James W. Curran, who heads the AIDS program at the Centers for Disease Control, said at the meeting that strategies against the disease would have to be tailored to local conditions because of the disparities in infection rates among men and women and according to geographical and age factors.

For example, he said that in the states with the highest rates of infection, 3.34 percent of all men were estimated to be infected, to the states with the lowest rates of infection, the rate was only seven one-hundredths of 1 percent.

In the presentations and panel discussions Tuesday, there was broad consensus against mandatory or even routine testing for patients entering hospitals, pregnant women and applicants for marriage licenses.

Dr. Stephen Joseph, New York City's health commissioner, said at a news conference here that he had not heard a single public health official at the conference advocate mandatory testing for hospital patients or premarital screening.

"The drift or trend has been in another direction," he said, adding, "There needs to be a very large-scale increase in the availability and accessibility of counseling and testing" on a voluntary and confidential basis.

Dr. Joseph also stressed that expanded testing would require substantial investments in money and trained personnel and said federal officials should "put their money where their rhetoric is."

As of Monday, 31,036 cases of AIDS had been reported to the Centers for Disease Control, an increase of 640 from Feb. 2. Cases have been reported in every state and more than half were fatal.

Bavaria Orders AIDS Checks

MUNICH — Bavaria announced anti-AIDS measures Wednesday that include compulsory testing for prostitutes, drug addicts, some foreigners and applicants for jobs in the public sector.

August Lang, interior minister in the Bavarian state government, said that prostitutes and drug addicts would be asked to have a test for AIDS. If they refused, they would be picked up by police and forced to comply, he said.

Under the measures, which took effect immediately, people from outside the European Community will be barred from settling in Bavaria unless they can prove they are free of the virus that causes acquired immune deficiency syndrome. All foreigners known to be infected with the virus will be refused a residence permit.

Prisoners and people detained during investigations will be tested on entering and leaving custody, and prisons might be equipped with AIDS stations, Mr. Lang said.

French Will Let Addicts Buy Syringes

Pharmacies in France will be allowed to sell syringes without prescription in a one-year experiment to fight AIDS among drug users, The Associated Press reported from Paris.

Health Minister Michele Barzach, announcing the plan Tuesday, said the government would suspend a 1972 decree permitting syringe sales only with prescription or after an identity check. "It is not a matter of giving up the fight against drug addiction," she said. "But we have to be realistic, 50 to 80 percent of drug addicts are infected."

Dr. Claude Olivenstein, director of a drug treatment center in Paris, said the decision to lift restrictions on syringe sales was "courageous but late."

1988 Test Cited as Key To Deployment of SDI

By John H. Cushman Jr.
New York Times Service

WASHINGTON — A crucial missile-defense test scheduled in 1988, could lead to early deployment of a space-based shield against ballistic missiles, according to Defense Secretary Caspar W. Weinberger.

Mr. Weinberger, in an interview Tuesday, said that the test, involving the destruction of a target in a collision with a prototype rocket, could best be carried out under a broadly permissive interpretation of the 1972 anti-ballistic missile treaty limiting such tests.

It was the first time that Mr. Weinberger had identified a specific test that could be accomplished under an open interpretation of the ABM treaty. Such a test, he said, could lead to deployment as early as 1993 or 1994.

His remarks on Tuesday came amid growing indications of strong opposition in the Senate to the re-interpretation of the ABM treaty.

The planned test would be the second in a series that began in September 1986. At that time, two separate stages of a Delta rocket were maneuvered into a collision in an experiment that was hailed as a breakthrough by the Defense Department but criticized as a treaty violation by opponents of the missile-defense plan.

Mr. Weinberger asserted that the ABM treaty, under the new interpretation, would allow development and testing of a wide variety of defensive systems, including those based in space. In his view, any technology that was not actually incorporated in anti-missile rockets, launchers or sensors of the sort that existed when the treaty was signed in 1972 is exempted from the prohibition on testing.

This is the broadest view yet put forth of the treaty re-interpretation, which has become the focus of arms control negotiations. It is an interpretation that some other arms control experts in the Reagan administration privately reject.

The Pentagon has been asked to give President Ronald Reagan a list of experiments that could be accomplished only under the broad interpretation of the treaty. Mr. Weinberger's remarks indicated



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A Call for Nixon to Negotiate

WASHINGTON — Governor Mario M. Cuomo of New York, exercising his own freedom from presidential politics, has proposed making former President Richard M. Nixon the nation's chief negotiator on arms control.

Mr. Cuomo, who last week announced that he would not seek the Democratic presidential nomination in 1988, said President Ronald Reagan should ask Mr. Nixon to take the lead in negotiating an arms treaty with the Soviet Union.

Asked why he would propose this, Mr. Cuomo replied: "He would obviously have the respect of Republicans and probably would have the respect of the U.S.S.R., which is a pretty good reason. He couldn't hurt you. So why not? He might be able to make a deal that nobody else has been able to make so far."

He said Democrats should not be concerned about Mr. Nixon's playing such a role because neither the former president nor anyone else could achieve an agreement on arms control unless it satisfied Senator Sam Nunn of Georgia, chairman of the Senate Armed Services Committee. Mr. Nunn, a Democrat, is perhaps the most influential member of Congress on national security issues.

Governor Cuomo said he had been pleased to read an Op-Ed column in The New York Times on Tuesday in which Dimitri K. Simes, a senior associate at the Car-

negie Endowment for International Peace, called for giving Mr. Nixon a key role in arms control.

The governor said Mr. Reagan's performance last October at the Icelandic summit meeting with Mikhail S. Gorbachev, the Soviet leader, was "embarrassing," and he suggested that Mr. Reagan could not afford to put himself in the position of having "Gorbachev saying, 'O.K., get it right this time.'"

Regarding Mr. Hart, he said: "I don't see any reason why out at this point, but it's still early," said the governor, who managed Mr. Mon-

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INTERNATIONAL Herald Tribune

Reagan Can't Remember

Ten weeks ago, White House aides brided at the joke about the Iran-contra crisis: What did President Ronald Reagan forget and when did he forget it? As things have turned out, it was no joke.

The enterprise was exposed, the primary response evident among the president's men was to disguise it. As that effort failed, everything seemed to focus on rationing out statements or correctives, one every few days.

Brazil Versus the Banks

Brazil's moratorium on its interest payments brings the international game of chicken over Latin American debts to a new and dangerous phase. In this test of wills and nerves, each side has a great deal to lose if it overplays its position.

days. If, to take the worst case, Congress should decide a couple of years from now that the banks were collectively responsible for a collapse of a struggling new democratic government in Brazil, those banks will have difficulty persuading anyone in Congress that they are fit to hold the broad new powers for which they are now lobbying.

'Punto Final' to Justice

Some of the most notorious torturers and commanders of Argentina's "dirty war" have now been granted amnesty. A historic process of legal accountability begun on the basis of clear principle has been transformed into an unsatisfying and potentially dangerous mess.

Paradoxically, the pragmatic goals for which principle was sacrificed have not been achieved. Some 30 active-duty officers were included by the courts among the last cases. This was the right decision, but it could also ignite the military danger.

Other Comment

The Peres-Shamir Dispute
A row, perhaps a pseudo-row, has broken out again in Israel about the form that negotiations with the Arabs should take.

to a conference under UN supervision, and the U.S. objections might well be overcome by tact on the Soviet side and persuasion on the European. Mr. Shamir opposes anything other than direct talks with Jordan and others.

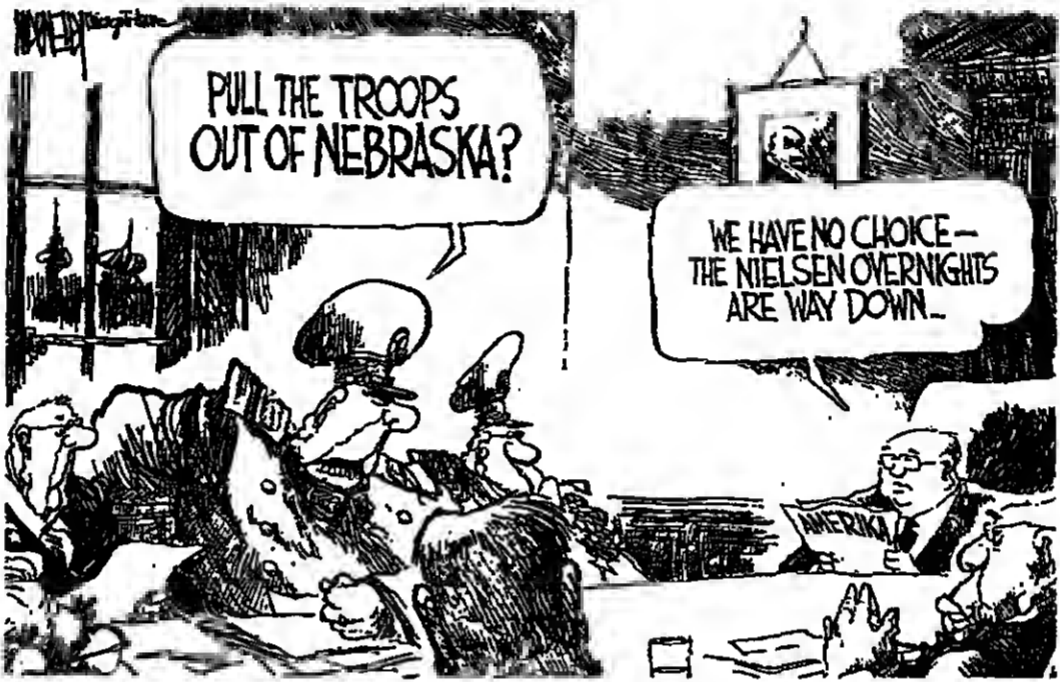
West Should Hope Gorbachev Prevails, but Not Help

By Michel Tatu

PARIS — Most Western governments and observers now are convinced that Mikhail Gorbachev is serious when he calls for the "restructuring" of Soviet society and a new way of thinking by Communist leaders.

destroying the Communist system but merely wants to make it more effective, would it not be safer in the long run — in view of the expansionist nature of Marxist ideology — to live with an "ossified" and conservative Communist bureaucracy of the Brezhnev-Chernenko type than with a modernized and dynamic Soviet Union?

Union would be a great safeguard to peace." We conclude therefore, by a score of two to one, that what Mr. Gorbachev is doing is good, even though it is clear it is not enough.



Reagan Is Erring Badly in Backing Iran

By Milton Viorst

WASHINGTON — The Reagan administration, though publicly proclaiming its arms delivery to Iran to have been an aberration of policy, tells us by its continued overtures to so-called moderates in Iran that its passion has not abated.

in its international relations. The evidence cited is the assurance Iran has offered its Gulf neighbors, that it has given up its designs on them. Yet there is not a responsible political leader in the Gulf who believes it.

Mediterranean, ready to strike Libya or Lebanon, while in the Gulf, which Iran would transform into a private lake, it deploys less power than is needed to safeguard a ferry crossing.

U.S. Is Running Out of Time in Seoul

By Edward W. Poitras

SEOUL — The political confrontation in South Korea seems to be heading toward another crisis, which the United States should try to prevent from becoming violent.

or what to expect of Washington. What the world fails to sense, while praising South Korea for its energetic pursuit of economic success, is the parallel growth of a repressive police state.

of younger officers would support. Despite any reservations Washington may have about two key opposition leaders, Kim Dae Jung and Kim Young Sam, no other figures have the support or visibility to lead the opposition at this time.

LETTERS TO THE EDITOR

Filipino Land Reform

Genuine land reform in the Philippines is necessary and inevitable, but the Aquino government must capitalize on its tremendous political support and begin the program before Congress convenes in July.

Patronizing Ecuador

With reference to "It Is Time to Start Caring About Ecuador" (Feb. 17) by A.M. Rosenthal, I would like to say that we Ecuadorians reject the implied patronizing by the United States.

The chief objective of any government must be to look after its own national interests, not attempting to influence others on issues that have only an indirect bearing on international relations. If in arms control negotiations, the West were to make concessions to the Soviet Union merely out of a desire to strengthen Mr. Gorbachev and help him stay in power, it would jeopardize the progress we have seen so far.

Belgians Are Dreaming EC Leaders Wake to Crisis

By Giles Merritt

BRUSSELS — Bettino Craxi stretched out his long legs toward the log fire and launched into a concise and brilliant account of the battle for jobs now being waged in Italy's poor southern region of Mezzogiorno.

about are slim, for the civil servants and diplomats who really decide such things abhor novelty. They also do not much like the idea of what might ensue if their prime ministers became involved in wide-ranging discussions without their "official" guidance.

If the EC can't go bankrupt, running out of cash would be a nightmare.

Market, and it is one that calls for some fundamental choices by the leaders instead of the political patch-up that officialdom contrives.

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: Lawless New York
NEW YORK — New York City is much concerned over the numerous hold-ups and shooting affrays in the streets this winter.

1937: Battle for Oviedo
FRANCO-SPANISH FRONTIER — Latest government reports said the Asturian miners had succeeded in advancing as far as the Pasa America, inside Oviedo.

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Patronizing Ecuador
With reference to "It Is Time to Start Caring About Ecuador" (Feb. 17) by A.M. Rosenthal, I would like to say that we Ecuadorians reject the implied patronizing by the United States.

IN OUR PAGES, 75 AND 50 YEARS AGO
1912: Lawless New York
NEW YORK — New York City is much concerned over the numerous hold-ups and shooting affrays in the streets this winter.

Aquino Marks Revolt By Urging Army to Defend Democracy

By Keith B. Richburg
Washington Post Service

MANILA — President Corason C. Aquino, speaking Wednesday on the anniversary of last year's revolt, praised the military for its role in toppling President Ferdinand E. Marcos, but she urged the army to turn its attention to protecting the country's democracy.

"The military's refusal to turn against the people was a feat worthy of admiration," said Mrs. Aquino, whose campaign for the presidency last year galvanized a nation in opposition to Mr. Marcos's authoritarian rule.

"You discovered the dictator in obedience to the higher call of freedom," Mrs. Aquino said, "and for that, you will be rewarded."

On Feb. 22 last year, a small faction of the military announced it was withdrawing support from Mr. Marcos and recognizing Mrs. Aquino as the winner of the presidential election. At the urging of Cardinal Jaime Sin, the powerful archbishop of Manila, more than a million citizens surrounded the two military camps, the rebels controlled and blocked government tanks from entering.

Four days later, under mounting military defections and pressure from U.S. officials, Mr. Marcos fled to Hawaii in exile. He left behind a powerful military establishment demoralized after years of acting as his personal security

force, but also highly politicized after the success of the anti-Marcos rebellion.

Since the revolt, some factions in the military have considered the army a kingmaker of the civilian government that keeps Mrs. Aquino off balance under the constant threat of a coup.

"Our people turned to defend your lives," Mrs. Aquino said during a flag-raising ceremony at Camp Aguinaldo, site of the rebellion. "It is now your part to defend their freedom."

Vice President Salvador H. Laurel was more blunt in his speech largely directed at the military. Mr. Laurel said one of the lessons of the revolution was that "the military must always uphold civilian rule and must never wrest power for themselves." The revolution, he said, demonstrated "a reversal of roles," since "survival of the military depended on the people."

As a symbolic measure of the government's partial success in gaining control of the military, most of the key figures who led last year's revolt were absent from Wednesday festivities.

One was Juan Ponce Enrile, Mr. Marcos's defense minister whose defection triggered the rebellion.

The clique of young middle-level officers who supported Mr. Enrile and were the core of the revolt, were absent as well. They were once akin to cult heroes here, appearing on posters with machine guns blazing. But they have been largely discredited and neutralized after being implicated in several anti-Aquino coup conspiracies.

Mr. Enrile's rapid shift to the political sidelines and the neutralization of the young officers that backed him are perhaps the most visible political change here one year after the revolution.

The speeches Wednesday by Mrs. Aquino and Mr. Laurel were part of a long day of street celebrations to mark the first anniversary of Mr. Marcos's departure. The days events included five helicopters flying overhead, a parachute jump exhibition, and songs by the American folk trio, Peter, Paul, and Mary.

Flood and Avalanche Toll Is 88 in Soviet Georgia

Reuters

MOSCOW — Floods, avalanches and landslides due have killed 88 people and caused widespread destruction since the start of the year in Soviet Georgia, the republic's government leader, Otari E. Cherkazia, said.

He was quoted by the newspaper Selskaya Zhizn on Wednesday as saying 20,000 people had been evacuated from areas where heavy snowfalls, followed by warm spells, caused avalanches and flooding.

Aquino's Flexibility Slows Rebel Momentum

By Jim Hoagland
Washington Post Service

MANILA — The Reagan administration's year-old gamble that Corason C. Aquino could rally the Philippines against a growing Communist-led insurgency better than Ferdinand E. Marcos appears to be paying off.

Mrs. Aquino has not quelled the revolt, which was an urgent foreign policy problem for Washington a year ago. There are still about 23,500 rebel fighters of the New People's Army in the field.

But the president has succeeded in throwing the rebels off balance, establishing herself in public opinion as a moderate interested in social justice. This has significantly slowed the momentum the rebels had been accruing against the Marcos government over 18 years.

Mr. Marcos fled into exile a year ago Wednesday, after U.S. policy makers exerted pressure on him to yield power. They acted out of concern over Mr. Marcos's ineffectiveness in opposing the rebels, U.S. officials said at the time.

Today, Washington appears reassured by recent changes in leadership in the army and in field

operations in the Philippines. While the insurgency is still a source of concern, it appears to have lost much of the urgency that made it a top-priority problem for U.S. officials in February 1986.

Senior Philippine military officials said that there had been a 24-

NEWS ANALYSIS

percent decline in violent incidents in the countryside over the past year. They also contended that 343 rebels and 766 of their political workers defected in 1986.

It has been a year in which both the rebels and the army have had to adjust to Mrs. Aquino's middle-of-the-road policies, which emphasize exploring the chances for a peaceful settlement with the rebels while improving the Philippine military's capability to defeat them in the field.

"We have to rethink things," acknowledged Carolina Malay-Ocampo, a top representative of the National Democratic Front, the political arm of the New People's Army. "We have to have new ideas to deal with a new situation."

She added: "Mrs. Aquino seems



POLICE BREAK UP SEOUL PROTEST — Opposition militants led by Kim Young-Sam, second from right in front, tried to enter the Seoul headquarters of his Council for the Promotion of Democracy, where they were to hold a rally on Wednesday. Hundreds of police blocked the entrance to the building and detained several people.

BEGUN: Activist Tells of 'Terrible' Solitude in Soviet Jail

(Continued from Page 1)

he was sentenced to seven years in labor camp and five years of internal exile.

He served the first year in a labor camp outside of the city of Perm, near the Ural Mountains, and then was moved in April 1985 to Chistopol, about 85 miles (about 140 kilometers) from Kazan, a city on the Volga River. In addition to political prisoners, Chistopol is reported to house about 1,000 criminals.

Life in prison is much worse than life in the camps, where at least prisoners have contact with each other and can see the whole sky, Mr. Begun said.

In Chistopol, an average cell was kept dimly lit at all hours, too much for sleep and not enough to read, he said. Food was passed through a window in the steel door, called in Russian the "bird feeder." In theory, prisoners in camps and prisons

are allowed 1.4 ounces (42 grams) of meat a day. In reality, the meat ration often was a spoonful of gravy, poured over porridge.

Mr. Begun spent 22 months in Chistopol. Of that time, he said, he spent about 200 days in an isolation cell, punished for minor infractions of prison rules arbitrarily interpreted by the authorities.

The cell was smaller and darker than the regular cells. Food rations there were one pound (about half a kilogram) of black bread and salt and hot water twice a day. The bed was a wooden plank that in the daytime folded up against the wall, he said.

Some of the isolation cells were "relatively warm," but others were so cold at night that to sleep, Mr. Begun said, he would run around the cell to keep warm, fall asleep and in an hour wake up from the cold.

The sentence to the isolation cell

was usually for 15 days, he said, but it could be prolonged arbitrarily.

Political prisoners were given work to do in their cells. In Mr. Begun's case, the job was to make nets for shipping and storing vegetables. The norm for prisoners was eight hours of work. Mr. Begun said. He and other political prisoners did not work the full norm out of principle, he said, but they did work about an hour a day.

Any violation of the rules had its price, such as being deprived of the right to buy extra food from the prison store or being deprived of the twice-yearly visit by relatives. But, Mr. Begun said, "the most terrible was solitary confinement."

According to Mr. Begun, the guards at Chistopol were "very polite" with political prisoners, but the punishment was "very terrible." He said the treatment of criminals was the reverse: "The guards were very rude, but the punishment was soft."

Once, he recalled, a convicted spy was put in his cell, a barren room about eight feet by five feet (about 2.4 meters by 1.5 meters). "It was a means of additional pressure," he said. The man beat him, Mr. Begun said. He showed a scar on his right leg.

Peace Talks Resume on Afghanistan

The Associated Press

GENEVA — Peace talks on Afghanistan resumed Wednesday with both Pakistan and Afghanistan promising a United Nations mediator that they would consider a timetable for withdrawing Soviet troops from Afghanistan.

Diego Cordovez, the UN under-secretary-general, said he told leaders of both delegations that they had an opportunity they "should not miss."

The Soviet Union sent troops into Afghanistan in 1979 to help defend the Afghan government from Moslem insurgents. Western estimates put the current Soviet troop presence in Afghanistan at 75,000 to 140,000 men.

Mr. Cordovez said the timetable for the Soviet troop withdrawal was the only question remaining after almost five years of negotiations, which are called "proximity talks" because the delegations meet separately, with Mr. Cordovez shuttling between them.

"If that blank is filled, we will have a settlement," he said, noting that the withdrawal issue remained difficult because both sides deeply distrust each other.

But Mr. Cordovez said that both sides had promised him they would examine the timetable question with an open mind.

At earlier stages of the talks, Afghanistan proposed that the Soviet withdrawal be completed in four years, while Pakistan proposed four months.

Pakistan's negotiating team is led by Foreign Minister Sahabzada Yaqub Khan, who arrived to Geneva on Tuesday from Moscow. The visit to the Soviet capital was his second this month.

The trip was part of a flurry of diplomatic activity by Pakistan, Afghanistan, Iran, the Soviet Union and the United States since the Kabul government proclaimed a program of "national reconciliation" in January. The government offered amnesty to the guerrillas, a proposal to form a coalition government and a cease-fire to take effect Jan. 15.

The rebels rejected the program, and the war has continued.

Lisbon Dockers End Action

Reuters

LISBON — Lisbon's port workers on Wednesday ended a 10-day work slowdown that had delayed cargo handling and forced some vessels to go to other ports, port and union officials said.

GORBACHEV: Changes Urged

(Continued from Page 1)

reaction are trying at any price to put a brake on our movement ahead and force us to remain on the rails of military confrontation," he said, blaming the United States for a deadlock in arms control talks.

Mr. Gorbachev emphasized several points by departing from a prepared text released by the official Soviet press agency Tass.

Indicating the intensity of the debate on his proposals for new, more democratic inner-party procedures, he said that a meeting of the Communist Party Central Committee last month had been postponed twice before it finally was convened.

"If we had limited ourselves at the plenum merely to stating that we have shortcomings and difficulties, if we had not proposed concrete directions for reorganization," he said, "then little use

would have come from this plenum."

Mr. Gorbachev's proposals centered on introducing secret ballots and multiple candidacies for senior party and state offices.

He said many people had wondered before the January plenum if party stalwarts would block the campaign for change.

"Now there is more confidence," Mr. Gorbachev said.

"Democracy is not the opposite of order," he said. "It is one of a higher level, based not on unquestioning obedience and blind performance but on the participation of people in society's affairs with full rights and initiative."

Mr. Gorbachev was greeted with applause from the trade unions when he said the Soviet leadership was determined not to abandon its course, which he described as fully consistent with socialism.

ABM: Talks With Allies

(Continued from Page 1)

dom of Washington's new course, the Kohl statement said that "an essential criterion" for Bonn was whether the U.S. "decisions" were "harmful or beneficial" to the Geneva arms negotiations. It was extremely unusual for Mr. Kohl, usually a loyal supporter of Mr. Reagan, to voice such reservations.

In London, a spokesman for Mrs. Thatcher said the prime minister had stressed the need for predictability in arms control so that neither superpower was surprised by decisions taken by the other.

While insisting that the interpretation of the 1972 treaty was a matter for Moscow and Washington to decide, the spokesman said that Britain favored a way of testing of anti-missile systems "that doesn't affect the predictability problem."

A Western diplomat said that Mrs. Thatcher had been informed that Secretary of State George P. Shultz agreed with Mr. Nitzze and Mr. Perle on the broad interpretation of the treaty. A considerable part of the discussion was said to have been taken up with the Americans describing the kind of space tests that were contemplated under the broad interpretation.

Mr. Nitzze and Mr. Perle are to visit Paris, Brussels, the Hague and Rome.

France has traditionally regarded the ABM treaty as the most important arms agreement between Moscow and Washington.

The French fear that, if the two superpowers eventually move to deploy anti-missile systems, their own independent nuclear deterrent could be rendered meaningless.

Reward Posted For Hotel Parrot Seized in Beirut

Reuters

NICOSIA — A British journalist offered a reward on Wednesday if gunmen who looted the Commodore Hotel in West Beirut returned its best known resident, Coco, the parrot that alarmed the unwary with imitations of incoming shells.

"That parrot survived 10 years of warfare and I want it back," Chris Drake said in a written statement.

Mr. Drake offered 10,000 Lebanese pounds (about \$100) to whoever returned the grey African parrot, which could also whistle the opening bars of Beethoven's "Fifth Symphony" and of "La Marseillaise."

The Commodore, a West Beirut landmark and haven for a generation of foreign journalists covering fighting in Lebanon, closed Tuesday for good. It was looted and badly damaged last week in fighting between Moslem militias.

2 Albanians Swim to Greece

The Associated Press

CORFU, Greece — Two young Albanian men swam more than 10 hours in chilly waters to this northwestern Greek island seeking political asylum, the police said Wednesday. The Albanians, aged 18 and 22, used inner tubes to swim at least eight miles (13 kilometers) Tuesday across a narrow strait dividing Greece and Albania.

INQUIRY: Tower Panel Believes Reagan Knew About Iran Arms Sales

(Continued from Page 1)

hand." Mr. Reagan noted that no one in the audience did so.

At the White House, presidential advisers have been holding a flurry of meetings over the last two days to devise a strategy for dealing with what is expected to be a highly critical report.

Officials said some advisers are telling Mr. Reagan that he has to take a more critical view of the operation and assume greater personal responsibility for its failure.

But other advisers generally agree that, to make a fresh start, the president must remove Donald T. Regan as his chief of staff and appoint a replacement who can command respect on Capitol Hill and in the political world.

Among those mentioned as leading candidates to succeed Mr. Regan are Paul Laxalt, the former Republican senator from Nevada, and Drew Lewis, chairman of Union Pacific Railroad.

An official who took part in a high-level strategy session on Monday summed up the advice given the president this way: "Move on. Move on. We're being consumed by this bloody thing."

Officials familiar with the Tower Commission report said it would stress that when the Iranian initiative was proposed in August 1985, White House officials discussed designing the program so that Mr. Reagan could deny that he had approved it if it ever became public.

The Senate intelligence committee, in its report on the affair last month, said it had received indications of this. But the Tower Commission has received notes taken at one of the first meetings on the program, in August 1985, and they show that participants used the word "deniability," one source said.

Documents presented to the commission also show that Colonel

North often misrepresented official foreign policy positions when he discussed them with others outside the administration.

The officials said the role of Colonel North and the advice the president received from Admiral Poindexter will form key parts of the commission's report as an example of how Mr. Reagan was ill-served by some senior aides. The White House has said from the outset of the controversy that the president was victimized by his aides.

But the report is also expected to show that Mr. Reagan was at times too detached from foreign policy deliberations and the carrying out of some policies.

Although the committee had no precise records of the frequent briefings, there were indications that Mr. Reagan offered limited contributions and did not always pay close attention, the officials said.

They said that the commission had records showing that Vice

President George Bush and Mr. Regan attended some of the morning briefings when the Iran initiative was discussed.

Because of the lack of records, the officials said it was difficult to determine exactly what Mr. Reagan had been told or whether anyone present had objected to various aspects of the policy.

Some administration officials say the Iran contra case will continue to cloud events in the capital for months.

"I don't know specifically of any single action he can take," Secretary of Defense Caspar W. Weinberger said of the president in an interview.

"I think it will just go on and on until it plays out," Mr. Weinberger said, adding that the president "doesn't control the process."

DENG: Experts Say He May Have Lost Grip on Power

(Continued from Page 1)

the declining power of the Politburo, which in theory is the most powerful body in China.

"They held an enlarged meeting of the Politburo to get rid of Hu," the analyst said. "The majority at the meeting was non-Politburo members. Why did they do this? The answer is the Politburo is not strong, the power was elsewhere."

China watchers in Hong Kong cited several developments, among others, to support their view that Mr. Deng was under attack:

• The call last summer for political change, which was identified with Mr. Deng and Mr. Hu, was discussed in September at a preparatory meeting before a plenary

session of the Central Committee, but no action was taken.

• China's newspapers carried a previously unpublished speech last week that Mr. Deng delivered in 1962 at a conference to criticize the policies of the Great Leap Forward in 1958 and 1959. Mr. Deng attacked the misguided economic policies of Mao Zedong and called for collective leadership in the party. "They are using his words against him," a Chinese analyst said. "By choosing this speech to publish, they are attacking his economic policies the way he attacked Mao's policies."

• The official Chinese press has sounded a clarion call for China to produce more grain. Analysts in

Hong Kong saw this as an implicit attack on Mr. Deng's rural policies because it would mean a strengthening of central planning in state agriculture. "Grain, grain, grain," one analyst said. "That means an attack on the peasants in the countryside who are growing other things so they make more money."

• Despite the assurance from Mr. Zhao that the campaign against "bourgeois liberalism" would be confined to the party, Chinese military declared that the campaign would permeate the armed forces, the analysts said.

Publishers, theaters, film studios and artists also have been admonished to watch the political soundness of their work.

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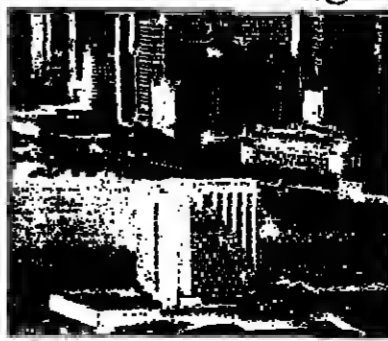


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SCIENCE

Technology Finds Tomb

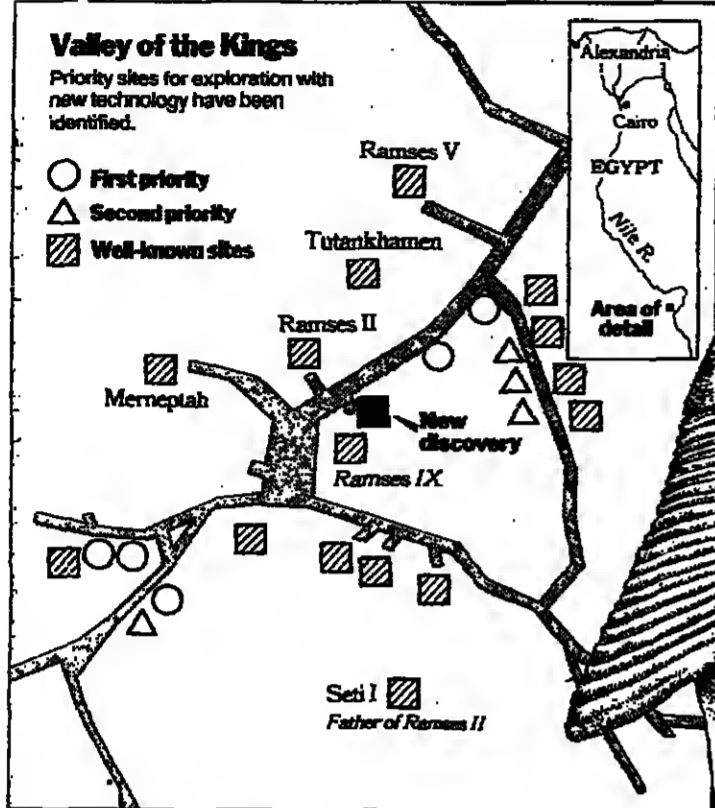


Illustration by Owen Wolff after sculpture of Ramses II in Museo Egizio in Turin, Italy

By John Noble Wilford
New York Times Service

ARCHAEOLOGISTS, heeding the message of the magnetometer, dug into the rocky slope of Egypt's Valley of the Kings and uncovered steps carved out of the limestone. The steps descended to a stone portal and through that into a dark passage and to the discovery of a 3,300-year-old tomb that could yield fascinating treasures and new insights into the long reign of Ramses II.

The last major find in the area was the discovery in 1922 of the untouched tomb of the young Tutankhamen, better known as King Tut.

Finding the tomb was a reassuring demonstration of the capabilities of modern remote-sensing technology, such as sonar, radar and magnetometry, to expand the range of archaeologists in the field. French and Japanese scientists have reported encouraging results using similar techniques in search of hidden chambers in the Pyramids and the Sphinx at Giza.

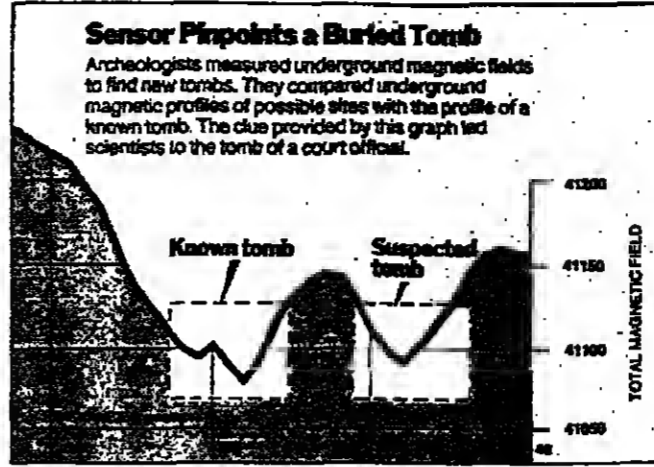
Preliminary analysis at the new site indicates that the underground chambers were probably the burial place of several of Ramses's many sons. Although the huge central room is badly damaged and filled almost to the ceiling with rubble, its size and design — 100 feet on all sides and supported by 16 large pillars — suggests to archaeologists the grandeur of the 66-year reign of Ramses II, who ruled from 1250 to 1224 B.C. This room is one of the largest in any of the known burial places set in the cliffs above the alluvial plain west of the Nile.

The tomb was found by a survey party led by Kent R. Weeks, an associate professor of Egyptian archaeology at the University of California at Berkeley. Dr. Weeks is engaged in a project, now in its eighth year, to survey ancient Thebes, on the Nile 500 miles south of Cairo, and prepare a map and inventory of the temples, moun-

ments, tombs and other structures. On the east side of the river stand the ruins of Karnak and Luxor. Across the river is the necropolis that includes the Valley of the Kings, the burial ground for Egyptian monarchs and nobles who lived between 1600 B.C. and 1000 B.C.

Mapping the ruins in detail and searching for hidden chambers, Dr. Weeks said, will give the Egyptian government information it needs to protect the priceless antiquities against vandalism and identify those structures most in danger of water damage. The survey is also being used in making decisions on where to build new tourist operations that would not intrude on hidden ruins.

This was why the Berkeley Theban Mapping Project, the formal name for the Weeks group, was concentrating its search and survey on the area near the entrance to the



Valley of the Kings. There, at the edge of a parking lot where the postcard hawkers and guides accost each new flock of tourists, the surveyors detected the remote-sensing clues that led them to the tomb.

Explorers in 1820 had reported finding a tomb there that had inscriptions suggesting that it once held mummies of the sons of Ramses II. Over the years it had disappeared, presumably buried in the rubble discarded by archaeologists working nearby.

The archaeologists accepted an offer by a petroleum financier who wanted to look for hidden tombs using oil-exploration technology. Bruce Heatitz, a financier who is based in Manhattan, got the idea on a visit to King Tut's tomb when a guide remarked, "If you think this is something, wait until we find something of the really significant pharaohs."

So, encouraged by Dr. Weeks, he hired the Weston Geophysical Corp. of Westboro, Massachusetts, to conduct the field work last year. One early attempt, using a seismic vertical profiling survey, was ineffective. This involved setting off explosive charges that sent seismic waves reverberating through the ground. Analysis of signals reflected from subsurface rock layers produced a cross-section of the rock, including evidence of cavities. But the tombs were close to the surface, Heatitz said, where the seismic signals are difficult to interpret.

Another attempt used ground-penetrating microwave radio signals, a form of radar, which are usually sensitive to shallow underground cavities. The radio waves bounce off changes in the density of materials, such as an air pocket set among bedrock. But the results were ambiguous, Heatitz said.

Another method, electrical resistivity tests, was a failure because the ground was too dry. This technique relies on measurements of the ground's conduction of an electrical current, with resistance indicating density changes in the subsurface structure. It was the magnetometer observations that pointed the way. The limestone bedrock in the Valley of the Kings contains particles of iron. A magnetometer on the surface generates a small electric signal that measures the intensity of the magnetic field below the surface. Where there is a break in the bedrock, as at an entrance cut out for a tomb, the magnetometer records a distinct dip.

In tests above a known tomb earlier last year, Heatitz said, the graph of magnetometer data showed a level line over bedrock and a deep trough over the tomb. A suspected tomb was detected in this way and unearthed in two hours of digging. It was the tomb of

an official from the court of Amenhotep II.

The magnetometer data took another tantalizing step over a site by the parking lot and only 50 feet away from the tomb of Ramses II. Dr. Weeks and his team began digging there last December and, working 10 days and excavating 50 truckloads of dirt, completed the task in January — 15 feet down to the entrance of the hidden tomb, a door five feet high and five feet wide.

When they opened the door, Dr. Weeks recalled, "We were hit by a rush of hot, moist air and had difficulty crawling into the narrow space between the tomb's fill and its ceiling."

When he heard a description of the discovery, Edward F. Weate, professor of Egyptology at the University of Chicago, said, "Obviously, the tomb has suffered a great deal. Chances are, in such cases, only hard materials will be preserved. All we can say is, we'll cross our fingers that there's a significant discovery to be made."

The Berkeley group plans to return in the spring for a more detailed study of the tomb, including the chambers that join the main room. They will be looking for inscriptions that provide a reliable date for the tomb.

"Our best guess, based on its location near the tomb of Ramses II and aspects of its design, is that it belonged to Ramses II and was probably for two or three of his sons," Dr. Weeks said. Ramses II built the magnificent temples of Abu Simbel.

Dr. Weeks cautioned against expecting the unexplored chambers to contain anything like the splendor found in Tutankhamen's tomb. In King Tut's time, a century earlier, tomb entrances were less conspicuous in design and often put in out-of-the-way places so that they were less likely to have been badly vandalized. Even before Europeans arrived, most of the later tombs had been robbed of gold, mummies and even building stones.

Dr. Weeks said he would leave the detailed exploration of the tomb to other archaeologists. His group has at least three more years of work on the map and inventory of the entire Thebes area. Mr. Heatitz has formed a company, Archaeological Imaging, to undertake other remote-sensing searches to assist explorers.

Zahi Hawass, chief inspector of the Giza Pyramids, said French and Japanese research teams, using seismic and magnetic remote-sensing, recently detected several hollows in the Pyramid of Cheops and under the Sphinx.

"We're conservative in archaeology, but we are coming around to modern technology," said Thomas Logan, a curator of the Oriental Institute at the University of Chicago.

IN BRIEF

Drug Found Useful in Treating Liver

BOSTON (UPI) — A drug commonly used for cancer treatment produced "dramatic" results when used to treat two patients suffering from one type of non-malignant liver disease, according to researchers. While the results indicate the drug methotrexate may offer the first effective treatment for at least one type of liver disease, the researchers stressed that more study is needed to confirm the findings.

"Liver disease is notoriously tickle," said Dr. Marshall Kaplan, who treated the patients at the New England Medical Center in Boston. In the February issue of the *Annals of Internal Medicine*, Kaplan and his colleagues reported the results of using methotrexate to treat two patients with primary sclerosing cholangitis.

The disease is a progressive, untreatable form of liver disease that affects an estimated 5,000 people in the United States. Patients usually die of liver failure if they do not undergo a transplant.

Computer Aids Transplant Program

LEIDEN, Netherlands (AP) — Dr. Bert Groenewoud and his colleagues here use a computer that rapidly matches vital organs to people awaiting transplant operations in the Netherlands, Belgium, Luxembourg, West Germany and Austria.

Dr. Groenewoud and his team play a role in about 3,800 organ transplants a year, although they rarely see the inside of an operating room. Their Eurotransplant Foundation uses the computer to make quick matches for hearts, lungs, kidneys, livers, pancreases and corneas of people who have just died.

In its computer records, Eurotransplant lists genetic information and the blood types of patients awaiting transplants, along with how long a patient has been waiting for the operation, and how urgently it is needed.

Back Muscle Enlisted to Aid Heart

PHILADELPHIA (Reuters) — A revolutionary heart pump fashioned from a patient's own muscle could someday aid thousands of people at a fraction of the cost of transplants, according to the doctor who has developed the device.

The device has been tested in laboratory animals, including a dog who lived almost three months with an auxiliary heart pump fashioned from his own back muscle. The dog died after clots damaged his kidney — a problem that has cropped up with other artificial heart techniques.

But Dr. Larry Stephenson of the University of Pennsylvania, who has collaborated on his research with Swedish and British scientists, said he had several possible ways of solving the problem, including using an anticoagulant to prevent clotting.

The key to the procedure, he said, is conditioning muscle from the back or some other part of the body to behave like heart muscle. The procedure, which Dr. Stephenson expects to be tested in humans within a few years, involves surgically moving back muscle to a patient's chest.

Tests Set on Male Contraception

SEATTLE (NYT) — Beginning this spring, up to 400 men in countries around the world will begin to test a synthetic form of the male hormone testosterone as a form of birth control. Researchers hope its use for contraception will rival the condom in effectiveness and acceptance.

In the first clinical testing of the method, the men will receive the injections once a week for a year. Unlike in previous tests, they would use the injections as their sole source of birth control.

Dr. C. Alvin Paulsen, a professor of medicine at the University of Washington here, has been testing the method in the laboratory and on animals since 1972. The new tests will be conducted in the United States, England, China and other nations selected by the World Health Organization, an agency of the United Nations.

INTERNATIONAL POSITIONS

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WALL STREET WATCH

Kidder Unlikely to Cast A Long Shadow Over GE

By VARTANIG G. VARTAN
New York Times Service

NEW YORK — Shares of General Electric Co. took a bumpy ride last week, first hitting a record high of \$103.75 and then finishing at \$101 for a net loss of \$2.50. The sudden downturn reflected investor concern that GE might face liabilities because of its 80 percent ownership of Kidder, Peabody & Co., an investment firm that has been linked to allegations of insider trading.

Most Wall Street analysts are optimistic about the prospects for GE's stock, which rose \$1.625, to \$102, on Tuesday, and they tend to doubt there will be further market repercussions because of the Kidder, Peabody affair. "Any worst-case scenario involving Kidder, Peabody is already reflected in the stock price," said Nicholas P. Heymann of Drexel Burnham Lambert. He said that GE remains "a compelling buy."

E. Robert Quasman of Oppenheimer & Co. said, "While concerns about GE's Kidder-related exposure could continue to cast a pall on the stock near term, we continue to believe GE's stock is more attractive than the market and would regard any current weakness as an opportunity to add to positions."

Both analysts predicted higher profits for GE, which earned \$5.46 a share last year. For the first quarter of 1987, Mr. Heymann projects earnings at \$1.39 a share, up from \$1.18 in the comparable 1986 period. His full-year estimate calls for \$5.50 a share in 1987 and \$7.75 in 1988. Mr. Quasman's projections are more conservative, at \$6.35 a share this year and \$7.40 next year. "Long-term prospects are enhanced by General Electric's increasing emphasis on service businesses," Standard & Poor's stock reports say, "and its superior management and product leadership." GE's shares hit record highs early last week after the company proposed a two-for-one split and said it would consider raising the cash dividend to a yearly rate of \$2.64 a share, on a pro-split basis, from the current \$2.52.

"Fundamentally, we anticipate future announcements will remain positive," Mr. Quasman said, and "GE will increase its quarterly dividend again in November." At current market prices, the stock yields about 2.5 percent.

ALTHOUGH the issue has advanced 40 percent since October, Mr. Heymann envisages a target price of \$129 to \$134 a share over the next six to 12 months. Looking further ahead, he says he believes a price of \$150 a share is attainable in the next 18 to 24 months.

"The latter target will become even more readily attainable," he added, "if our belief that GE is on the threshold of another major acquisition proves true." Such an acquisition, carrying an estimated value of \$5 billion to \$10 billion, could be announced before the middle of this year, Mr. Heymann suggested.

Among the factors conducive to an acquisition, he said, are GE's "very solid" finances, with cash and marketable securities alone totaling \$2.3 billion, and attractive borrowing rates.

The giant company, whose operations range from consumer products and industrial systems to aircraft engines and technical products, completed its acquisition of RCA Corp. in June, the same month it acquired control of Kidder, Peabody.

Mr. Heymann's theory is that any future major acquisition aimed at enhancing the value of GE's stock could be made in a new area. "GE's management has the talent for unlocking real asset values in other companies," he said. "After five years of aggressively revamping its own operations, GE has emerged as one of the best restructurers in the world."

One acquisition technique used by the company in the past is to play on a cycle. When GE acquired Employee Reinsurance Corp. in 1984, it was a timely play on the upturn in the property-casualty business. "Also, in the RCA acquisition," Mr. Heymann said, "the company got NBC — an attempt to play the coming deregulation of the network industry."

Some analysts believe GE is on the threshold of another major acquisition.

Britain Blocks Sugar Bid

Rules Out Offers By Ferruzzi, Tate

Reuters

LONDON — The government Wednesday blocked rival bids by Gruppo Ferruzzi of Italy and Tate & Lyle PLC of Britain to take over British Sugar PLC, which has a monopoly on the country's sugar beet refining.

A successful bid by Ferruzzi would have made the Italian company the world's biggest sugar producer. But the Department of Trade and Industry halted the takeover battle by saying that both bids "may be expected to operate against the public interest."

The department said in a statement that it was following recommendations of the Monopolies and Mergers Commission, a governmental regulatory body.

Ferruzzi, a food and farms group that already dominates the European sugar industry, would have captured about 24 percent of the European Community sugar market if its bid had been approved.

Gruppo Ferruzzi announced in November that it had agreed to buy 70 percent of British Sugar, which has about 50 percent of the British sugar market. The bid, worth £425 million (\$655 million), was accepted by S&W Berisford PLC, the commodity trading and processing group that owns British Sugar.

Tate & Lyle had offered £480 million for all of Berisford in May, but it planned to sell off all of the company except British Sugar to management if its bid was successful.

The trade department ruled Wednesday that either bid could proceed and that Ferruzzi should reduce its existing stake of about 24 percent in Berisford to 15 percent over the next two years. Tate & Lyle has a stake of about 10 percent in the company.



A worker finishing a body shell at the Peugeot plant in Sochaux, France. Peugeot's chairman, Jacques Calvet.

Peugeot Regains Its Reason to Roar

Restructuring, Automation Boost Profit, Market Share

By Jacques Neher
Special to the Herald Tribune

PARIS — The bon frozen Peugeot SA's corporate logo has something to roar about these days.

After suffering through a long and painful restructuring, the private French manufacturer of Peugeot and Citroën cars has regained its position as a major force within Europe's highly competitive car industry. And emboldened by its success and newfound profitability, it is now set to take a serious stab at the American market.

Although 1986 results have not yet been released, Jacques Calvet, Peugeot's chairman, estimated last month that net earnings would rise enough to allow the company to pay a dividend for the first time since 1981. Analysts estimate that the company's 1986 earnings will be from 1.5 billion to 2 billion francs (\$248 million to \$330 million, at current exchange rates), compared with 1985 profit of 543 million francs.

The 1986 profit would be the first major payback since Peugeot began restructuring and modernizing in the early 1980s. And Mr. Calvet predicted that the payback had only begun.

"Better products, productivity gains, cost-cutting and the slowdown of inflation in France should permit profitability to rise strongly in the coming years," he said.

The restructuring followed a period of sudden and chaotic growth. In 1976 Peugeot ac-

quired its competitor Citroën, and two years later it bought Chrysler Corp.'s European operations, which it merged into the Automobiles Peugeot division.

The acquisitions, Peugeot now acknowledges, were poorly timed. Not only was it difficult merging different corporate cultures, but the company was hit

with a severe drop in demand precipitated by the 1979 oil crisis.

Complicating matters were labor problems, punctuated by violent and image-damaging strikes in 1982 and 1984. From 1980 to 1984, Peugeot reported losses totaling more than 8 billion francs.

Vital to Peugeot's recovery strategy was a plan to meld the two divisions, Automobiles Citroën and Automobiles Peugeot, on an industrial level, but to keep them independent on a product and marketing level. In that way, the two would not only be able to economize by developing and sharing major components, but they would gain a large measure of manufacturing flexibility.

Meanwhile, automation and payroll cutbacks have allowed Peugeot to improve productivity an average of about 6 percent a year since 1983. The company invested 20.6 billion francs in new plant and equipment from 1983 through 1986.

At the end of 1986, Peugeot employed 165,000 people, down 23,000 from 1984, when the company produced 100,000 fewer cars.

On the marketing side, Peugeot is now planning to enter the U.S. market.

Vital to its strategy was melding the two divisions, Citroën and Peugeot, on an industrial, but not product or marketing, level.

Argentina Shuts Banks Ahead of Economic Plan

Los Angeles Times Service

BUENOS AIRES — The Argentine government, bedeviled by rampant inflation and a heavy foreign debt, unexpectedly declared banks and foreign exchange markets closed Wednesday and Thursday to quell financial speculation before announcing a new economic program Wednesday night.

The action late Tuesday, on the eve of Wednesday's critical talks with U.S. banks, renewed talk that Argentina would follow neighboring Brazil in declaring a moratorium on its \$53 billion debt owed to foreign banks.

Treasury Secretary Mario Brodersohn has already warned of such a move if international banks

do not grant the country's request for \$2.15 billion in fresh funds to help the country meet its 1987 growth target of 4 percent, after 5.5 percent growth last year.

The last nationwide bank closure was in June 1985, when the government announced its anti-inflation "Austral Plan."

Financial sources said that Argentine President Raúl Alfonsín had agreed to new measures that would include wage adjustments to offset inflation of 7.5 percent in January, the immediate restoration of stiff price controls, and a pledge not to allow debt obligations to undermine economic growth.

Controls, which have now eroded, were a key element in Mr. Alfonsín's Austral Plan, which reduced inflation to 80 percent last year from almost 1,000 percent in 1985.

Amid tension in financial markets Tuesday and a steady rise in the free-market rate for the U.S. dollar, some observers also anticipated that the new measures would either include a sharp devaluation of the austral, the Argentine currency, or an accelerated series of smaller devaluations.

After a 1.99 percent devaluation of the austral Tuesday, one of a series of periodic devaluations, the currency was quoted officially at 1.43 to the U.S. dollar. But the unofficial rate was 1.84, a difference of about 30 percent.

Philippine Debt Talks

The Philippine government will proceed with talks next Tuesday in New York on rescheduling \$3.6 billion of debt owed to foreign banks, Finance Secretary Jaime Ongpin said Wednesday. However, the country will keep a close watch on how creditor banks react to Brazil's suspension of interest payments, Reuters reported from Manila.

Currency Rates

Table with columns for Currency, Bid, Ask, and other rates. Includes sub-sections for Cross Rates and Other Dollar Values.

Interest Rates

Table with columns for Rate, Bid, Ask, and other interest rate data. Includes sub-sections for Eurocurrency Deposits, Key Money Rates, and Asian Dollar Deposits.

Gold

Table with columns for Gold price, Bid, Ask, and other gold market data.

EC Projects '87 Growth at Weak 2.3%

By Peter Maass
International Herald Tribune

BRUSSELS — The European Community's executive body scaled back its forecast for 1987 growth to a weak 2.3 percent Wednesday and warned that the unemployment rate would remain "unacceptable" at best.

The European Commission said that prospects had grown gloomier in the past few months because of a sharp fall in the value of the U.S. dollar and a slowing in world trade, both of which hurt EC exports.

The quarterly forecast indicates that the economy of the EC is expanding at a slower rate than in 1986, when growth in the overall gross domestic product of the 12 member nations was a sluggish 2.5 percent.

The commission's report followed a weekend meeting in Paris of finance ministers and central bankers from the six largest industrialized nations. The group set a vague plan for economic cooperation, including pledges to stabilize the dollar and boost growth in Japan and West Germany.

Although the EC report was largely prepared before the weekend meeting, it echoed a widespread impatience with the slowness of the currency pact and called for more concrete measures. An EC economist said that the commission believed that the accord "needs more flesh."

In its annual economic report last autumn, the EC had projected 1987 growth at 2.8 percent. But the commission warned Wednesday that prospects were

"not very encouraging," that the EC would even reach its new growth target of 2.3 percent.

It said that growth would allow the unemployment rate to remain at 12 percent "at best," a level it called "unacceptable."

Once again, the commission urged West Germany to play the part of economic "locomotive," a role that Bonn has rejected, by using fiscal and budgetary measures to fuel its economy. "It's in the German Federal Republic that the margin of maneuver appears to be the largest," the commission said.

The report suggested that West Germany advance tax cuts originally scheduled for Jan. 1, 1987, a step that Bonn said on Tuesday it would take. It also urged the country to increase spending in the public sector. Bonn so far has resisted any measures that would increase its budget deficit and set off inflation.

France and Britain, the report said, could help carry the burden of stimulating growth by "improving their potential for production," even if it meant a slowing in the reduction of their budget deficits.

The commission's report said inflation would remain low in the EC this year, with consumer prices rising by 3.2 percent after a 3.6 percent increase in 1986.

More broadly, the commission called for greater economic cooperation in the community, including moves to shore up the European Monetary System. But it warned that the battered system could not be expected to carry the entire burden of cooperation.

OPEC Worries Grow as Brent Falls Below \$16

By Warren Getler
International Herald Tribune

LONDON — The price of North Sea Brent crude, Britain's benchmark oil, fell below \$16 a barrel Wednesday for the first time since mid-December, extending a retreat from the \$18 fixed price set by OPEC late last year and renewing doubts about whether the cartel's pricing accord can be made to hold.

Traders said cargos of Brent for April delivery changed hands at \$15.98 and \$15.97 a barrel, down about 50 cents from Tuesday and \$1.30 from Friday. In later trading, Brent was being quoted at \$15.80 to \$15.90 a barrel, with no trades at those levels, and the decline was continuing in U.S. markets.

The rapid erosion in prices came just days after Gulf oil ministers met to discuss how to prop up faltering prices.

Rumors were widespread over the weekend that the ministers might call for an emergency meeting of the Organization of Petroleum Exporting Countries next month to discuss the problem. Though the ministers denied Sunday that OPEC would have to be convened early, analysts said the sharp declines Wednesday added new pressure on the 13-nation cartel.

But analysts noted Wednesday that significant doubts have emerged in international oil markets about whether OPEC can maintain strict adherence to the strategy. OPEC's current estimated output is around 16.3 million to 16.5 million barrels a day.

Analysts said there are indications that Kuwait and the United Arab Emirates are exceeding their quotas and that other OPEC members are "cheating" — Iran, by apparently entering into barter agreements, and Nigeria by apparently engaging in price discounting.

OPEC has also been hurt, analysts say, by unusually warm winter weather, which has cut into demand. Even so, the OPEC pact is being challenged earlier than many observers had anticipated.

"Everyone expected the severe test to set in during March or April," said Humphrey Harrison, chief oil analyst with the NewWest Investment Bank Group. Even so, he said, "OPEC isn't panicking."

"OPEC could walk away from trying to maintain a fixed price," he said, but this would embarras King Fahd of Saudi Arabia, one of the main architects of the December plan. "The only thing they can do," he added, "is reduce quotas across the board for second-quarter production — yet, given the difficulties in setting quotas last time, that might just be impossible."

Fahd, Mr. Harrison noted, might have been willing to allow Saudi Arabia, the largest OPEC producer, to act temporarily as a swing producer — cutting its production — to bring overall output back in line with the December accord.

"But when there's cheating by other OPEC states, absorbing the slack would not be acceptable in domestic political terms," he said.

Michael Varz, analyst with Kleinwort Grenson & Co. in London, takes a dissenting view on the need for OPEC to meet before its scheduled June 25 session.

"OPEC won't need to call an emergency meeting. It can't expect to control short-term volatility in price movements," he said.

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NYSE Most Actives table with columns: Vol., High, Low, Last, Chg.

Market Sales table with columns: NYSE 3 p.m. volume, NYSE Prev. close, Amerex 3 p.m. volume, Amerex Prev. close, Prev. OTC 4 a.m. volume.

NYSE Index table with columns: High, Previous, Close, Today's Range.

Wednesday's NYSE Closing Via The Associated Press

AMEX Diary table with columns: Case, Prev., High, Low.

NASDAQ Index table with columns: Composite, Declined, Unchanged, Total Issues.

AMEX Most Actives table with columns: Vol., High, Low, Last, Chg.

Dow Jones Bond Averages table with columns: Prev. Close, Today's High, Low, Last, Chg.

NYSE Diary table with columns: Advanced, Declined, Unchanged, Total Issues.

Odd-Lot Trading in N.Y. table with columns: Buy, Sell, % of Total.

Dow Jones Averages table with columns: Index, High, Low, Last, Chg.

Standard & Poor's Index table with columns: High, Low, Last, Chg.

Previous NASDAQ Diary table with columns: Advanced, Declined, Unchanged, Total Issues.

AMEX Stock Index table with columns: High, Low, Last, Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

NYSE Investors on Sidelines

NEW YORK — Prices on the New York Stock Exchange were narrowly higher late Wednesday in active trading as the combination of a two-month increase in prices and the impending release of the Tower Commission's report on the Iran-contra scandal Thursday kept investors on the sidelines.

Bache Securities Inc., downplayed the potential impact of the release of the Tower Commission report. "You can see from the even-keel sessions of the last several days that the market has lost its powerful momentum," Mr. Wachtel said.

Table A: NYSE Most Actives (continued)

Table B: NYSE Most Actives (continued)

Table C: NYSE Most Actives (continued)

Table D: NYSE Most Actives (continued)

Table E: NYSE Most Actives (continued)

Table F: NYSE Most Actives (continued)

Table G: NYSE Most Actives (continued)

Table H: NYSE Most Actives (continued)

Table I: NYSE Most Actives (continued)

Table J: NYSE Most Actives (continued)

Table K: NYSE Most Actives (continued)

Table L: NYSE Most Actives (continued)

Table M: NYSE Most Actives (continued)

Table N: NYSE Most Actives (continued)

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Wednesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

Table with columns: 12 Month High/Low, Stock, Div. Yld. PE, 52 High/Low, Close, Chg. Chg.

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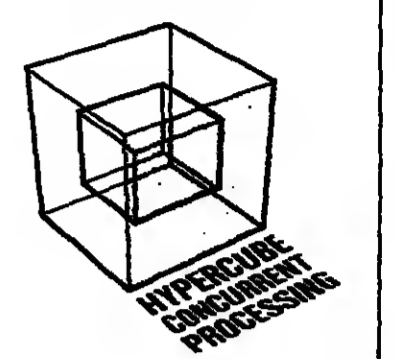


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NYSE High-Lows

Table listing NYSE High-Lows for various stocks.

NEW HIGHS

Table listing NEW HIGHS for various stocks.

NEW LOWS

Table listing NEW LOWS for various stocks.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Table of Company Results for various international companies.

Large advertisement for CFM International featuring an Airbus A320 aircraft and the slogan 'Bravo! The men and women of CFM International on both sides of the Atlantic congratulate Airbus Industrie on the first flight of their new generation aircraft, the impressive A320.'

Wednesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect intraday trading elsewhere.

Table of NYSE closing prices for various stocks, including columns for stock name, price, and change.

Table of stock prices for various companies, including columns for stock name, price, and change.

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U.S. Futures

Table of U.S. futures prices for various commodities like wheat, corn, soybeans, and metals.

Table of international futures prices for various commodities like coffee, sugar, and cotton.

Table of international futures prices for various commodities like copper, silver, and gold.

Table of international futures prices for various commodities like oil, natural gas, and lumber.

Table of international futures prices for various commodities like soybean meal and soybean oil.

Floating-Rate Notes

Table of floating-rate notes with columns for issuer, coupon, bid, and asked prices.

Deutsche Marks

Table of Deutsche Mark exchange rates for various countries and currencies.

Currency Options

Table of currency options prices for various currencies and contracts.

Paris Commodities

Table of Paris commodity prices for various goods like sugar, coffee, and cotton.

London Commodities

Table of London commodity prices for various goods like oil, natural gas, and metals.

Large advertisement for International Bank for Reconstruction and Development, featuring a world map and text about DM 200,000,000 5 1/2% Deutsche Mark Notes.

Vertical advertisement on the right edge of the page, including text like 'MISS ROUND...', 'Profit...', and 'ANY NOTES'.

BUSINESS ROUNDUP

Saab Profits Rose 15% In 1986 on Car Sales

By Juris Kaza
Special to the Herald Tribune
STOCKHOLM — Saab-Scania AB, the Swedish automotive and aerospace group, said Wednesday that pretax profit in the final four months of 1986 rose 9 percent, to 1.31 billion kronor (\$201 million) from 1.2 billion in the like period of 1985.

Sabena, SAS Near Accord On Cooperation

BRUSSELS — Sabena of Belgium and Scandinavian Airline System will reach a joint decision in April on how to challenge bigger carriers as Western Europe moves to deregulate its airline business, it was disclosed Wednesday.

For the full year, earnings were up 15 percent to 3.33 billion kronor from 2.9 billion in 1985, while sales rose 11 percent to 35.2 billion kronor from 31.8 billion.

Saab-Scania's president, Georg Karnusund, attributed the gains almost entirely to improvements at the group's car and car-parts divisions.

At the Saab car division, 1986 sales jumped a strong 17 percent, to 14.14 billion kronor, although earnings edged up just 3 percent, to 941 million kronor.

Mr. Karnusund said, however, that sales and earnings for the SF-340 midsize commuter aircraft were rising, with 12 aircraft delivered in December alone, for a total of 37 during 1986.

Mr. Karnusund said management had proposed a dividend of 16 kronor, up from 14 kronor in 1985, plus a bonus of 2 kronor to celebrate the 50th anniversary of the founding of Saab.

IBM Unveils 4-Megabit Chip, Increases Shares in Buyback

NEW YORK — International Business Machines Corp. said Wednesday it had designed a computer chip capable of storing more than four million bits of data, four times as much as any chip in use.

IBM said four-megabit chips have been made on the same line used to produce one million-bit chips at its plant in Essex Junction, Vermont.

In a separate development Tuesday, IBM said it would buy back an additional 4 million shares, with a current value of about \$570 million, beyond the 15 million shares announced last year.

IBM stock, which hit a low of \$115.75 in January, was down slightly midday Wednesday, to \$142.875 from \$143.

Matsushita Sees Lower Net Profit In Current Quarter
OSAKA, Japan — Matsushita Electric Industrial Co., Japan's largest maker of consumer electronics products, predicted Wednesday that net profit would drop 40 percent in the four-month period to March 31 to 41 billion yen (\$266.8 million at current exchange rates).

Sales would drop 10 percent to 1.420 billion yen.

Matsushita's accounting year usually ends Nov. 20, but will collect figures for this irregular period before switching to a fiscal year ending March 31, 1988.

Analysts Say ICI Will Post £1 Billion Pretax Profit

LONDON — Imperial Chemical Industries PLC is expected to post a pretax profit Thursday of more than £1 billion (\$1.54 billion) for 1986, a gain of at least 11 percent from the previous year, industry analysts said Wednesday.

The analysts said that ICI, the world's fifth-largest chemical company in sales, was among the blue-chip stocks that have attracted American buyers during the surge in the British stock market in recent weeks.

In ICI's case, the market was reappraising the company's pharmaceuticals division. ICI's share price surged 16 percent early Thursday on the London Stock Exchange from 105.9 pence at the start of trading.

Analysts say ICI's steadily expanding pharmaceutical activities as a key area for profit growth in the 1990s.

But improved margins and restructuring in its more traditional chemicals, petrochemicals and plastics businesses also likely helped ICI reach a pretax profit of £1.01 billion to £1.05 billion in 1986, analysts estimated, an increase of about 11 to 15 percent from £912 million in 1985.

The company's pretax profit declined in 1985 from record earnings of £1.03 billion to £180 million. Analysts predict that its pretax profit will rise to at least £1.3 billion in 1987.

Sir John Harvey-Jones, who took over as ICI chairman in 1982, has steered the company away from its early emphasis on bulk chemicals toward a focus on profitable high-value specialty products, which are less vulnerable to currency and oil price swings.

But last year, it was the weaker dollar and lower energy and feedstock costs that helped boost earnings in many of ICI's activities, including fiber, industrial and specialty chemicals, the brokerage Barclays de Zoëe Wedd said.

They said that such factors would swell profit in ICI's petrochemical and plastics business by more than 100 percent in 1985 to £220 million, up from £97 million in 1984. Profit in the general chemical sector was expected to rise by at least 20 percent, to £170 million to £180 million, from £138 million in 1985.

But analysts pointed out that there was little room for growth in the volume of the chemicals and petrochemicals sectors.

Growth in pharmaceuticals offers more potential, said Martin Evans, an analyst with Broker County Securities. It is a number of drugs now in the research and development stage are introduced by ICI as expected in the 1990s, he said, the products could contribute as much as 45 to 50 percent to pretax profits instead of the current one-third.

BUSINESS PEOPLE

Takeover Puts Carling Post in Doubt

By Arthur Higbee
International Herald Tribune
A \$294.3 million takeover offer for Carling O'Keefe Ltd. of Toronto, Canada's third-largest brewery, has left the future of its chairman, Pierre Des Marais 2d, uncertain.

The brewery's controlling shareholder, Rothmans Inc., the Canadian unit of the British tobacco giant, Rothmans International PLC, has said it will sell its 50.1 percent stake to Eiders Ltd.

Eiders, an Australian brewing company, said it planned to maintain Carling's current management if its bid was successful.

Mr. Des Marais, 52, has been on Carling's board since 1983. He was named chairman in October when S. Roderick McLane resigned abruptly as chairman, president and chief executive.

Mr. McLane left after more than two years in which the brewer had not done well, analysts told The New York Times. The mission of Mr. Des Marais, who subsequently became president and chief executive as well as chairman, was to turn Carling's business around.

Carling O'Keefe, which ranks behind the Canadian brewers John Labatt Ltd. and Molson Companies Ltd., has a market share of about 25 percent.

It is licensed to sell Miller beer in Canada and has sold the popular Eiders beer, Fosters Lager, since last year. Carling owns the Quebec Nordiques hockey team; Molson owns the rival Montreal Canadiens.

Northrop Corp. has promoted Kent Kress to president, succeeding Frank W. Lynch, 65, who has been named vice chairman. People familiar with the Los Angeles aero-

New Chairman At Air France

PARIS — The French cabinet on Wednesday confirmed Jacques Friedmann, a longtime adviser to Prime Minister Jacques Chirac, as chairman of the state-owned airline Air France.

Mr. Friedmann, 54, replaces Marcel Long, 60, the chairman since 1984, who will become vice president of the Council of State, France's highest legal tribunal.

Mr. Friedmann is a former chairman of the Compagnie Generale Maritime shipping group. He has no experience in airlines, but is expected to play a primary political role alongside Henri Sauvan, 63, Air France's director-general since 1983.

space and electronics company said that the promotion makes Mr. Kress, 45, the leading candidate to succeed Thomas V. Jones, 66, Northrop's chairman and chief executive. Mr. Kress, who also becomes chief operating officer, has been senior vice president for technology development and planning since March 1986.

Constructiones Aeronauticas SA, or CASA, Spain's state-owned aircraft manufacturer, has named Javier Alvarez Vara as president. Mr. Alvarez Vara, 42, had been president of the National Institute of Industry and is a former administrator at the International Energy Agency in Paris. He holds a doctorate in mechanical engineering from the University of Pennsylvania. He succeeds Fernando Caralt, who has left the organization.

Burjban Bank SAK of Kuwait has appointed Mohamed Aged Tayfi, deputy general manager for operations, to take over as general manager, replacing Abdullaziz Abdullaziz al-Jassar, who has resigned.

COMPANY NOTES

American Express Co. and its Swiss subsidiary, Trade Development Bank, told the U.S. Securities and Exchange Commission that they have reduced their stake in South Atlantic Financial Corp. to a combined 2.29 million shares, or 35.6 percent of the company, from 2.72 million shares, or 42.3 percent.

Arco Chemical Co., a unit of Atlantic Richfield Co., said it had signed letters of intent with Enichem Polimeri SpA of Italy to form joint ventures for making and marketing chemicals in Europe and North America. The ventures will build a U.S. plant to make Enichem's thermoplastic elastomers and a European facility to make Arco's Dylark engineering resins.

Amgen Inc., the fifth-largest U.S. steel producer, said it had sold several European operations to TI Group PLC of Britain for \$41 million in cash.

Bank of Montreal said its net profit in the first quarter ended Jan. 31 edged up about 4 percent, to 102.1 million Canadian dollars (\$76.5 million), or 1.07 dollars a share.

Holden's Engine & Components Co., a General Motors Corp. unit based in Melbourne, said it had sent its first shipment of Australian-made car engines to GM's Pontiac division in Michigan. HECC, Australia's largest single exporter of manufactured goods, said the initial order was for 12,000 two-liter, four-cylinder engines to power the Pontiac Sunbird.

Kraftwerk Union AG, a wholly owned subsidiary of Siemens AG, said it had its worst year in its 18-year history last year, because of negative attitudes toward nuclear power. In the fiscal year ended Sept. 30, KWU did not book a single large order and thus total revenue fell to 2.7 billion Deutsche marks (\$1.49 billion) from a record 11.4 billion DM the year before.

Liton Industries Inc. has agreed to acquire Lamb Technicon Corp., a leading supplier of automotive industry manufacturing systems, in a stock swap valued at \$100 million.

Nynex Corp. said it acquired Business Intelligence Services Ltd., a British computer software company, for approximately 1.65 million shares of Nynex common stock. BIS is an information technology and marketing services organization operating worldwide, with about half its business outside Britain.

Pharmacia AB of Sweden said its unrestricted Class B shares would be listed on the Tokyo Stock Exchange on Feb. 26. It said it would place about 500,000 Class B shares in Japan through Daiwa Securities.

USX Telecenters Corp., a California telephone-retailing franchiser with trademark rights to its name, said it would change its name after an out-of-court settlement with USX Corp., which changed its name last year from U.S. Steel.

Table with columns for Fund Name, Country, and Price. Includes sections for ALMAL MANAGEMENT, BRITISH MANAGEMENT, EUROPEAN EQUITY FUNDS, and others.

Advertisement for HYDRO ALUMINIUM featuring a large image of a person in a boat on water and the slogan 'Discover gold'. Includes contact information for Signature and Country.

Advertisement for 'We are moving!' with contact details for NEW! ADDRESS, THE SAME!, and NBI! THE ENGINEERING DEPARTMENT AND TECHNICAL SALES DEPARTMENT.

Small text at the bottom left of the page providing additional information and disclaimers.

Wednesdays AMEX Closing

Table with columns: 12 Month High/Low, Stock, Div. Yld. PE, 52 High/Low, Chg. Last. Lists various stocks and their performance.

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TAIPEI WORLD TRADE CENTER advertisement featuring a photograph of people and text: 'TAKE A BUYER'S HOLIDAY IN TAIWAN', 'Make Your First Stop The Taipei World Trade Center', 'See the products of more than 2,500 suppliers all under one roof...'

Subscription advertisement for International Herald Tribune: 'Now Morning Delivery for Most Readers', 'Save up to 50% or more off your newsstand price when you subscribe for 12 months to the International Herald Tribune', includes a table of subscription rates by country and a coupon form.

Vertical advertisement on the right edge of the page, including 'FRENCY MA', 'Miller Mix', and 'OTC'.

CURRENCY MARKETS

Dollar Mixed in Lackluster Trading

LONDON — The dollar ended mixed but little changed Wednesday in dull European trading...

They said market sentiment was bullish on the dollar because of nervousness about Brazil's suspension of interest payments...

But operators were hesitant to push the dollar lower in light of last weekend's Paris agreement to stabilize currencies...

In London, the dollar closed at 1.5275 Deutsche marks, down slightly from Tuesday's close of 1.5350 DM...

The British pound, meanwhile, came under some pressure during the day as prices of spot Brent crude oil fell to less than \$16 a barrel...

Operators said the dollar rose against the Deutsche mark in late afternoon trading on some position squaring and interbank orders...

Friday's U.S. trade figures were expected to provide some direction for dollar trading. Dealers are expecting a January deficit of \$13 billion to \$14.5 billion...

London Dollar Rates

Table with columns: Currency, Rate, % Change. Includes Deutsche mark, Japanese yen, Swiss franc, French franc.

The dollar could come under renewed pressure if the deficit is above \$14 billion, as the market would want to test the strength of the Paris accord...

U.S. durable goods orders data for January, postponed from Tuesday to Thursday, were expected to have little impact on trading unless markedly out of line with expectations.

Dealers were also anxiously watching developments in Brazil's debt position and said the long-term effects on the dollar and U.S. economy would be profound if Brazil decided to end interest payments on its foreign debt.

In earlier European trading, the dollar was fixed in Frankfurt at 1.5248 DM, down from 1.5368 at Tuesday's fixing...

It closed in Zurich at 1.5397 Swiss francs, down from 1.5540 Tuesday.

Most sectors of the Eurobond market again closed steady Wednesday, but attention remained focused on the floating-rate-note sector, dealers said.

The perpetual area of the market again remained effectively closed with most houses willing to trade only on an indicated basis.

However, in the dated FRN sector, U.S. banks suffered a renewed bout of selling from investors who are still nervous after Friday's news that Brazil was suspending interest payments on its foreign debt...

They're the ones that lent so much money. It's obvious their paper's going to be sold when problems emerge," one trader said.

Prices of some bank names fell by up to a full point, although some traders felt that the market would recover shortly.

One new FRN was launched, although dealers said it was essentially a publicly marketed asset-swap that would probably not trade widely on the secondary market.

The \$150 million note was issued by Nomura International Ltd. on behalf of a company incorporated in the Cayman Islands called Lives Ltd.

The five-year bond pays 4 1/2 percent over the six-month London interbank offered rate.

It was quoted on the when-issued market above the par issue price at about 100.03. The par issue total fees of 10 basis points.

Otherwise, activity on the primary market was quiet after Tuesday's batch of new issues. The day's only dollar straight was a \$100 million bond for the Queensland government's development authority guaranteed by the State of Queensland.

It was seen by some dealers as being a little on the tight side, but it closed the day only just outside the total fees of 1 1/2 percent at a discount of 115/16 percent.

The lead manager was Credit Suisse First Boston Ltd.

The recent steady flow of new offerings continued with a 20 billion yen bond for France's Caisse Nationale des Télécommunications. The seven-year issue pays 5 1/2 percent and was priced at 102 1/2.

The lead manager was IBI International Ltd. It ended within the 1 1/2 percent fees.

Back in the secondary markets, the dollar-straight market ended unchanged to a touch firmer, with prices tending higher during the afternoon on the back of firmer bond prices in the United States, dealers said.

Mitterrand Supports G-7

PARIS — President François Mitterrand said Wednesday that Italy and Canada should be included whenever major Western nations discuss monetary affairs.

Italy refused to participate in Sunday's meeting in Paris of financial officials from six countries, saying central points had been decided the previous day by the Group of Five—the United States, Britain, France, West Germany and Japan.

The G-5 plus Italy and Canada make up the Group of Seven.

Kaufman Sees Fall in U.S. Discount Rate, Dollar

TOKYO — Henry Kaufman, chief economist at Solomon Brothers Inc., said Wednesday he expects at least one more half-point cut in the key U.S. discount rate by midyear, and the dollar to resume its decline in the next few months.

Mr. Kaufman, whose opinions for the large U.S. investment bank are widely followed by financial markets, said at a news conference that he would not be surprised if the dollar fell to 140 yen and 1.70 Deutsche marks by the end of this year.

The U.S. currency now is trading around 153.65 yen and 1.83 DM.

However, he said, the dollar's current stability will last for the next month or two as the markets pause after the U.S. currency's fall over the past one and a half years.

The 5.5 percent discount rate, the benchmark for other U.S. rates, may not be cut within the next month, he added. But by midyear it would be cut by a half-point to stimulate sluggish U.S. and world economic activity, without fear of reviving inflation.

In the United States, he added, the only way to stimulate the economy is through the Federal Reserve's monetary policy. While a reduction in the U.S. government's budget deficit would help lower U.S. interest rates, a sharp cut in the deficit could pose dangers for the slowing U.S. and world economies.

The reduction would need to be gradual, he said, because the U.S. economy is not fundamentally strong enough to adjust.

A U.S. monetary policy is still needed that can immediately offset a reduction in fiscal stimulus with an effective measure of monetary injection, he added.

Mr. Kaufman said concern about a sharp decline in the dollar comes mostly from the Federal Reserve, rather than the U.S. Treasury, because the currency's fall could disrupt capital flows into the United States from abroad, particularly from Japan and West Germany.

A sudden drop could also disrupt global financial activity, he said, adding that this may be the underlying reason the United States was willing to attend last weekend's meeting in Paris called by the seven major industrial democracies, the so-called Group of Seven.

Yet Mr. Kaufman said last weekend's Paris meeting did not address the complex issue of how to manage the new financial world where there are massive movements of funds because of economic differences, regulations and innovations.

Those movements have a substantial impact on the value of financial assets, interest rates and currency prices, he said. "I think the G-7 meeting is not going to cure the problems that today are the impediments to economic expansion."

THE EUROMARKETS

Floating-Rate Sector Still in the Spotlight

LONDON — Most sectors of the Eurobond market again closed steady Wednesday, but attention remained focused on the floating-rate-note sector, dealers said.

The perpetual area of the market again remained effectively closed with most houses willing to trade only on an indicated basis.

However, in the dated FRN sector, U.S. banks suffered a renewed bout of selling from investors who are still nervous after Friday's news that Brazil was suspending interest payments on its foreign debt, dealers said.

Traders noted that FRNs for U.S. banks have always been vulnerable to concern over Latin American debt exposure.

They're the ones that lent so much money. It's obvious their paper's going to be sold when problems emerge," one trader said.

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PEUGEOT: Restructuring and Automation Give a New Reason to Roar

(Continued from first finance page) Peugeot last year gave little ground in Europe, despite an onslaught by the Japanese automakers.

In 17 West European countries, Citroën and Peugeot sales together climbed 7 percent to 1.3 million and represented 11.3 percent of all cars sold, down from 11.5 percent in 1985 and 1984.

That put Peugeot in fourth place among Europe's six largest auto producers in terms of volume — behind Volkswagen/Audi/SEAT, Fiat SpA and Ford Motor Co. and ahead of General Motors Corp. and Renault, the No. 1 French car maker.

Behind the overall market share figures, however, were important gains for Peugeot in West Germany and Britain, the two largest auto markets in Europe. In Britain, Peugeot's unit sales soared 79 percent, almost doubling its share to 4.3 percent of that market.

In Germany, Peugeot sold 46 percent more cars, reaching 3 percent of the market, while Citroën's sales climbed by 25 percent, gaining 1.6 percent of the market.

To achieve those gains, Jean Boillot, president of the Peugeot division, told journalists last month that the company made a strategic choice to pull back in France and divert production to faster-growing export markets.

As a result, Peugeot's penetration in France fell almost three percentage points to 31.9 percent, putting it on a par with Renault, which Peugeot played the European card, it's out to obtain immediate profits, but to build its position for the longer term," he said.

Much of Peugeot's turnaround can be attributed to the success of the Peugeot 205 — a "supermini" in industry parlance — which accounted for almost a third of Peugeot's unit sales last year. The model, introduced in 1983, is now available in about 30 different versions, priced from 46,900 to 103,600 francs.

Industry analysts say Peugeot found success with the 205 because it debuted with a wide range of options, such as a five-door version, that could satisfy a larger section of the market. Timing was also important, as the 205 came out just as interest was waning in Renault's RS, a comparably sized model.

And last fall Peugeot stirred up excitement in the industry with its introduction of the Citroën AX supermini. Produced at a highly robotized factory in Aulnay, the AX is Mr. Carver's gamble — against conventional wisdom — that money can still be made on small cars.

The car — priced at 43,400 to 65,000 francs — got off to a slow start, reaching only 40,000 units in sales in France by the end of the year. Nevertheless, Citroën has a sports version of the popular 205 model rolling out in other countries, and it is aiming to sell 230,000 AX cars in Europe in 1987.

Industry observers are skeptical, however. Paul Capella, a Paris-based automotive industry consultant with DRI Europe, said it would be difficult for Peugeot to build an image in the United States with a midrange family car.

"It's a rather half-hearted way to approach the American market," Mr. Capella said, adding that a sporty version of the popular 205 would have gone much further than the 405 and 505 toward establishing the brand in the United States.

Wednesday's OTC Prices NASDAQ New York time. Via The Associated Press

Table A: OTC Stock Prices. Columns: 12 Month High, Low, Stock, Div. Yld., Sales in 100s, High, Low, % P.A. Chg.

Table B: OTC Stock Prices. Columns: 12 Month High, Low, Stock, Div. Yld., Sales in 100s, High, Low, % P.A. Chg.

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Table D: OTC Stock Prices. Columns: 12 Month High, Low, Stock, Div. Yld., Sales in 100s, High, Low, % P.A. Chg.

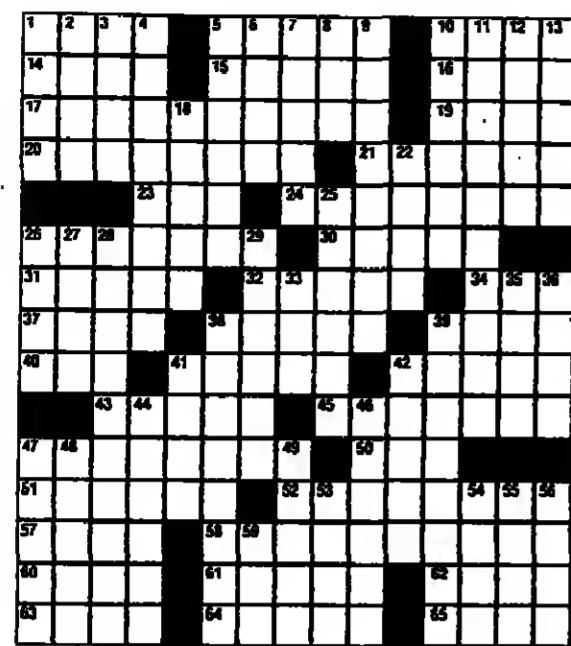
Table E: OTC Stock Prices. Columns: 12 Month High, Low, Stock, Div. Yld., Sales in 100s, High, Low, % P.A. Chg.

Table F: OTC Stock Prices. Columns: 12 Month High, Low, Stock, Div. Yld., Sales in 100s, High, Low, % P.A. Chg.

Table G: OTC Stock Prices. Columns: 12 Month High, Low, Stock, Div. Yld., Sales in 100s, High, Low, % P.A. Chg.

Table H: OTC Stock Prices. Columns: 12 Month High, Low, Stock, Div. Yld., Sales in 100s, High, Low, % P.A. Chg.

Table I: OTC Stock Prices. Columns: 12 Month High, Low, Stock, Div. Yld., Sales in 100s, High, Low, % P.A. Chg.



- ACROSS**
- Wednes
 - TV's Barnaby Jones
 - Prefix for graph or medic
 - Fraction
 - Rave's "La
 - Arabian cloaks
 - Discomf
 - City in Calif.
 - Predetermined
 - Muse of comedy
 - Fop's brother
 - Whodunit finale
 - Brutes
 - Heaps
 - Informed
 - Hippodrome
 - Lesson's "Do You Sleep?"
 - Singer Orlando
 - Smart
 - Feast
 - Ancient times, to Poe
 - Loyal
 - Because
 - "Die Fledermaus" maid
 - Hurt
 - Animates
 - Immie's kin
 - Dried grape
 - Made-to-order
 - City SE of Belgrade
 - Ornate fixture
 - Egyptian dancer
 - Chalet
 - Arctic abode
 - Lip
 - Clark role
 - Ornate fixture
 - Egyptian dancer
 - Former
 - Dock or knave
 - Hit man's purchase
 - Fiendish
 - Manufacturer
 - Strass
 - Garden tool
 - Batman's creator
 - friendship
 - Cookbook contents
 - Surrounded by
 - Soprano
 - Berger et al.
 - Waltz composition by Delibes
 - Keg part
 - Dill of yore
 - Baltic port
 - Lampreys
 - French
 - burlesque champ
 - Indian, e.g.
 - Burn slightly
 - hoop
 - Unlocked
 - Glut
 - Truant G.I.
 - Malicious defacements
 - Soft fabric
 - Trucker's wheels
 - Former
 - knave
 - Hit man's purchase
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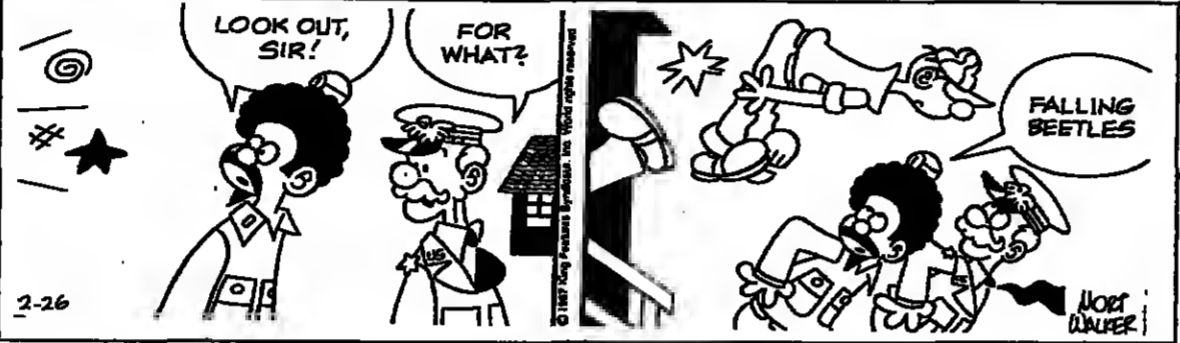
PEANUTS



BLONDIE



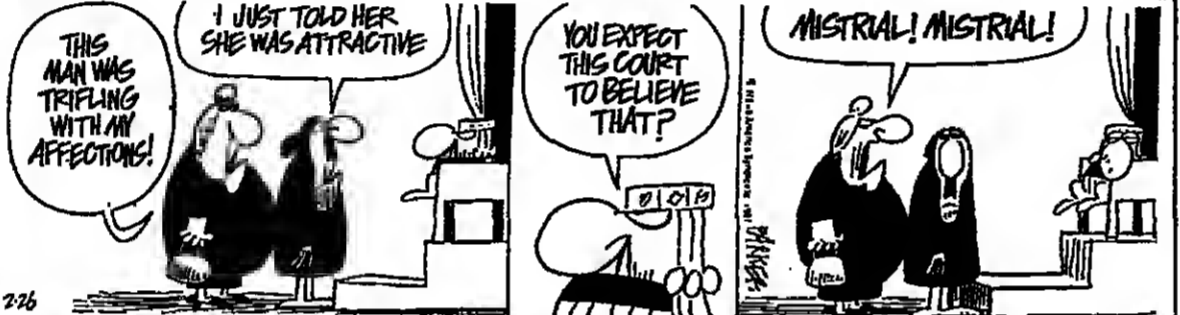
BEETLE BAILEY



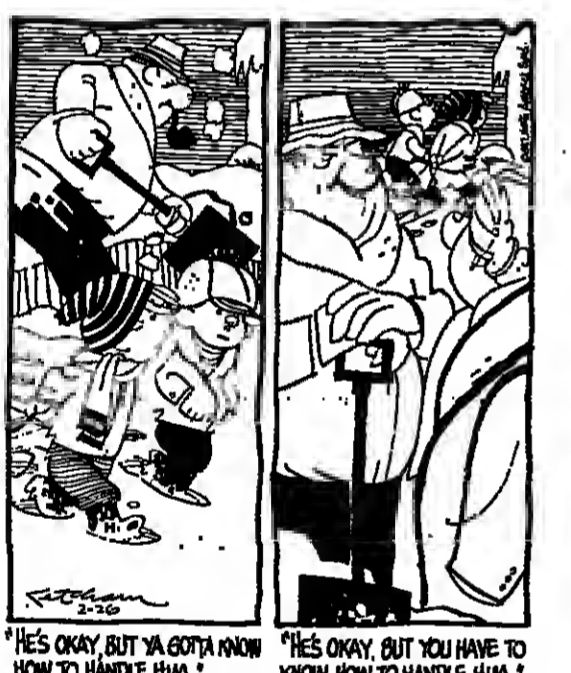
ANDY CAPP



WIZARD of ID



DENNIS THE MENACE



JUMBLE

Unscramble these four jumbles, one letter to each square, to form four ordinary words.

ILVIC
LOLLO
FLAIN
TERVID
GUNJEL

Answers tomorrow

Yesterday's Jumble: ANGLE SYLPH BEAVER COMPEL
Answer: A young girl starts to do this when she becomes a teen — PRESH

WEATHER

EUROPE				ASIA			
Area	High	Low	Cloud	Area	High	Low	Cloud
Algeria	12	8	F	Beijing	12	8	F
Austria	12	8	F	Bombay	28	24	F
Belgium	10	6	F	Calcutta	28	24	F
Denmark	10	6	F	Colombo	28	24	F
France	10	6	F	Hankow	28	24	F
Germany	10	6	F	Harbin	12	8	F
Greece	10	6	F	Hong Kong	28	24	F
Italy	10	6	F	Kobe	12	8	F
Japan	10	6	F	Manila	28	24	F
Spain	10	6	F	Shanghai	12	8	F
UK	10	6	F	Singapore	28	24	F
USSR	10	6	F	Tokyo	12	8	F

World Stock Markets

Via Agence France-Press Feb. 25
Closing prices in local currencies unless otherwise indicated.

Market	Index	Change
Amsterdam	319.00	+1.50
Bombay	137.20	+1.20
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BOOKS

THE ESSAYS OF VIRGINIA WOOLF: Volume 1, 1904-1912

Edited by Andrew McNeillie. 411 pages. \$19.95. Harcourt Brace Jovanovich, 1250 Sixth Avenue, San Diego, Calif. 92101.

Reviewed by Richard Eder

If as much conscientious attention had been given to the Challenger project as has gone, these past dozen years, into the lives, works and foibles of the Bloomsbury Circle, we would today be able to review the first-person accounts of the space-launch crew. In whatever time could be spared, that is, from the newest batch of books about Bloomsbury.

Twenty years ago, Leonard Woolf brought out a four-volume collection of essays by his wife, Virginia, the greatest and most enduring talent among a group of writers that included Lytton Strachey, John Maynard Keynes, Gertrude Stein and others. The collection consisted of those essays that Virginia had herself chosen for publication, and others that Leonard believed would have met her publication standards.

Now we are to get the rest. Andrew McNeillie has edited all of Virginia Woolf's non-fiction newspaper and magazine pieces that he was able to trace, in a collection that will come to six volumes. They will include about 500 essays and reviews, roughly twice the number selected by Leonard Woolf. In the first volume, McNeillie's diligence is particularly evident. Eighty-three of the 109 selections have never appeared in book form.

The reason, of course, is that the material is drawn from Woolf's first eight years as a freelancer. A good deal of it is trivia and of little interest other than the kind that delights in contemplating Napoleon's waistcoat buttons.

Much of the first volume, and a preponderance of the pieces done between 1904 and 1906, are either brief three- or four-paragraph reviews of forgettable books written for the Times of London Literary Supplement, or longer reviews and essays written for the Guardian — not what was then called the

Manchester Guardian, but a trade paper for pursons.

Woolf, starting out, gives us conscientious plot summaries of such perishables as A.J. Dawson's "The Fortunes of Farthings," a novel about a young man shanghaied by pirates and sold to the Sultan of Morocco. Even more conscientiously, McNeillie searches out the book and gives us page citations for each of the quotes. Why? Is someone going to try to read "The Fortunes of Farthings"? Scholarship has its mysteries.

Woolf squeezes to find invisible virtues in the books she was given, but it is the invisibility she transmits, not the virtues. Later, still observing the conventions, she learns to put teeth in her smile.

And here we come to one of the interests of the collection: We see Woolf's literary bone structure emerge from the baby fat. Even while turning out the puffs, she would write scathing comments about the same books to a friend, and refer to herself by her private nickname "Goat." Gradually, never losing her delicacy, she began to offer public glimpses of this private goat.

Even early on, a phrase stands out here and there. In a stilted essay about a dog, here is an obvious thought expressed in a family disarming fashion: "We deliberately transplant a little bit of simple wild life, and make it grow up beside ours, which is neither simple nor wild." An early review of "The Golden Bowl" projects her a long way ahead of herself. She compares James to a painter who painstakingly sets down every muscle and bone. He would be greater "if he were content to say less and suggest more."

And by 1907, about 50 selections into the book, Woolf has all but dropped the Guardian, is doing longer pieces for the Times, and is coming into her prime. Her essay on Thomas Hood declares her belief that literary portraiture can find its richest subjects in secondary figures: "Keats lived in a street and had a neighbor and his neighbor had a family."

The rewards multiply. Reviewing two travel books, she argues that it takes a stranger to write properly about a place. Natives are too close.

"Oxford Street, Kensington Gardens, Piccadilly — the names of these places alone rouse so many echoes, the sight of them is so confused with a multitude of other sites, that a Cockney who should sit down to describe them might end with an essay upon party government or a dissertation upon the immortality of the soul."

Her touching and celebrated portrait of Louise de la Valliere, a mistress of Louis XIV, comes in here. So does the imperious Lady Holland, who ruled her salon with a sharp tongue, and who once thundered at an eminent and overly talkative guest: "Enough of this, Macaulay!"

Richard Eder is on the staff of the Los Angeles Times.

Solution to Previous Puzzle

AGA	LOCAL	ABET
LUMP	IDOLS	MORE
BRER	COMETOPASS	
SUREFIRE	MAZES	
ALTY	TAMIS	
FARGE	ROBOT	OPO
AMAH	UTAR	FRAT
COMENOMETOROST		
EROS	BORE	ERATO
TEN	WORMS	BETAS
	CHESS	GET
STOLE	WALLEYES	
COMETOLIFE	LOCK	
OLAF	NITRE	LURE
WANT	ATIHOS	RUDG

BRIDGE

By Alan Truscott

A NEW book that addresses one of the game's neglected areas may also set the bridge record for title length: "Everything You Always Wanted to Know About Trump Leads and Were Not Afraid to Ask" by Dr. George Rosenkranz. It is available for \$8.95, including postage, from The Bridge World, 39 West 94th Street, New York, N.Y. 10025. This is certainly the last word on trump leads, setting out the numerous reasons for making such a choice and illustrating them with a selection of interesting deals.

The most remarkable lead in the book, shown in the diagram, occurred in the 1967 European Championships in Dublin. South was no doubt intending to bid his six-card heart suit on the second round, but that became inconvenient when his partner leaped to four spades. He retreated to

five diamonds and North continued boldly to six on the theory that his hand was fit better for diamond purposes than it might have been. The Swedish players sitting North-South had thus achieved a rare feat: in two rounds of bidding they had reached a voluntary slam contract with a combined point count of 18.

The West player, for Italy, was Oscar Bellicanti. He showed super-human restraint by passing five diamonds and passing again at the six-level. He knew that the North-South hands must be freakish and that some of his possible defensive tricks would be cut down by ruffs. This was the consideration that caused Bellicanti to make the remarkable lead of the diamond king, sacrificing a card that most players would cling to in the hope that it would score a trick.

Removing a trump from dummy proved crucial. South was able to take two heart ruffs

NORTH				EAST (D)			
A K 8	Q J 5 3	10 6 4	9 8 7 2	A K 8	Q J 5 3	10 6 4	9 8 7 2
WEST	A K 8	Q J 5 3	10 6 4	9 8 7 2	EAST (D)	A K 8	Q J 5 3
WEST	A K 8	Q J 5 3	10 6 4	9 8 7 2	EAST (D)	A K 8	Q J 5 3

VINTAGE POINT

REBOARD

SPORTS

NCAA Suspends Football at SMU 1 Year

DALLAS — The National Collegiate Athletic Association on Wednesday suspended the football program at Southern Methodist University for one year and said the school could play no home football games in 1988.

VANTAGE POINT/Ira Berkow One Baseball Owner's Impeccable Logic

NEW YORK — When Don Mattingly had the nerve to win his arbitration case against the New York Yankees, George Steinbrenner, the team's principal owner and The True Sportsman, fumed and snorted.



George Steinbrenner

Steinbrenner further implies that he is not a money-grubber like Mattingly. For Steinbrenner, certainly, is hardly in baseball for the money. That makes him an owner, which contains the suspicion of many.

Like Reggie Jackson did when he was the highest-paid Yankee. The pressure is on him. I expect he'll carry us to a World Series championship or at least to the pennant. He better do it just like Gary Carter did after he got his big contract.

Now Going to the Dogs Can Be Tax-Deductible

By Andrew Beyer Washington Post Service WASHINGTON — When Robert Grotzinger lost his job with a trucking company in 1978, he tried to support himself by betting on dog races.



Battling Billy

New York Islander goaltender Billy Smith, long noted for his short-fused temper and feistiness, hit Herb Raglan on the head with his stick after he and the St. Louis defenseman made goal-crease contact late in Tuesday night's opening period.

W. Virginia Puts an End To Two Temple Streaks

PHILADELPHIA — Bolstered by its strong defense, West Virginia pulled off an upset Tuesday night that should have repercussions at the national tournament time.

Temple was playing without 6-foot-10 (2.08-meter) center Ramon Rivas, out for the fourth straight game with an infected left heel, so the Owls needed their outside shooting.

Steaua Bucharest Surprises Dynamo Kiev in Supercup

Compiled by Our Staff From Dispatches MONACO — Steaua Bucharest scored second goals before halftime and then held off a late charge to upset Dynamo Kiev, 1-0, in soccer's European Supercup here Tuesday night.

COLLEGE BASKETBALL 38.3 percent shooting from the field in registering 64-61 upset of the fourth-ranked Owls.

Shaw had 16 points for West Virginia. Brooks had 15 and Crawford J.J. Crawl. "I didn't take Blackwell all by myself," Crawl said. "I had a lot of help. I think that did it."

West Virginia used a box-and-one defense to control Temple guard Nate Blackwell, who scored only eight points — 12 under his average — and had only two assists.

Shaw had 16 points for West Virginia. Brooks had 15 and Crawford J.J. Crawl. "I didn't take Blackwell all by myself," Crawl said. "I had a lot of help. I think that did it."

SCOREBOARD

NBA Standings

Table with columns for Eastern Conference and Western Conference, listing teams and their records.

Basketball

Table with columns for Atlantic Division, Central Division, and Midwest Division, listing teams and their records.

Hockey

Table with columns for National Hockey League Standings, listing teams and their records.

Golf

Table with columns for PGA Leaders, listing players and their scores.

ESORTS & GUIDES

Advertisement for International Classified, featuring various escort services and contact information.

U.S. College Results

Table listing college sports results, including basketball, football, and tennis.

Transition

BASEBALL American League DETROIT — Signed Donnell Evans, first baseman-dispatcher, to a one-year contract.

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ART BUCHWALD

Nancy Reaches Out

WASHINGTON — There's trouble at the White House, and it has to do with communication. I have in my hand the transcript of a telephone conversation between Don Regan and Nancy Reagan.



Nancy Reagan

Yehudi Menuhin Joins British Order of Merit

LONDON — The violinist Sir Yehudi Menuhin, 70, has been made a member of the Order of Merit, one of the highest honors conferred by the British monarchy.

Musical 'Food For the Soul'

By Andrew Clark
BERN — When the Soviet conductor Dmitri Kitayenko first visited Switzerland in 1982, he took musicians and audiences by storm.



Kitayenko: "You can't make art with an angry face."

German repertoire. He describes Alfred Schnitte as the most significant contemporary Soviet composer writing for the symphony orchestra.

PEOPLE

'Oldies' Win Grammys

Steve Winwood, Paul Simon and Blossie Warwick were among other old familiar names in the 29th annual Grammy Awards. Winwood's "Higher Love" won record of the year and best male pop vocal honors while the AIDS charity song "That's What Friends Are For" sang by Warwick, Sherie Wester, Gladys Knight and Elton John, took two trophies.

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EMPLOYMENT
SECRETARIES AVAILABLE
SECRETARY FOR AMERICAN
FRENCH IN PARIS
English, fluent in French...

EMPLOYMENT
SECRETARIES AVAILABLE
SECRETARY FOR AMERICAN
FRENCH IN PARIS
English, fluent in French...

EMPLOYMENT
SECRETARIES AVAILABLE
SECRETARY FOR AMERICAN
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